The Knowledge Company

Industry Report on Non-Alcoholic Ready-to-Drink (NARTD) Market in India

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1. OVERVIEW OF GLOBAL AND INDIAN ECONOMY

1.1 Global Macroeconomic Landscape

Global economic growth is expected to gain momentum, with emerging markets poised to play an increasingly important role in the next phase of global economic expansion

The global economy has demonstrated resilience in recent years, navigating emerging challenges and opportunities amid continued policy support from governments and central banks. The global GDP is projected to grow from USD 126.3 Tn in CY 2026 to USD 158.4 Tn by CY 2031 at a CAGR of 4.63%. Over the same period, India's nominal GDP is expected to grow at a CAGR of 10.00%, while real GDP is expected to grow at a CAGR of 6.50%.

Exhibit 1.1a: *GDP at Current Prices (Nominal GDP) (in USD Tn), Real GDP Growth rate & Ranking of Key Global Economies (CY)*

			Nominal GDP							Real GDP	
Country	Rank in GDP (2025)	Rank in GDP (2031P)	2021	2024	2025	2026 E	2031 P	CAGR (2021-2025)	CAGR (2026-2031P)	CAGR (2021-2025)	CAGR (2026-2031P)
USA	1	1	23.7	29.3	30.8	32.4	39.0	6.72%	3.80%	2.60%	1.94%
Germany	3	4	4.4	4.7	5.1	5.5	6.4	3.77%	3.10%	0.17%	0.92%
Japan	4	6	5.2	4.2	4.4	4.4	5.1	(4.02%)	3.21%	0.75%	0.60%
UK	5	5	3.2	3.7	4.0	4.3	5.4	5.80%	4.85%	1.96%	1.48%
France	7	7	3.0	3.2	3.4	3.6	4.1	3.21%	2.74%	1.54%	1.10%
China	2	2	18.2	18.7	19.5	20.9	27.5	1.73%	5.69%	4.61%	3.66%
India	6	3	2.5	3.3	3.6	4.0	6.5	10.07%	10.00%	-*	6.50%
World	**-**	**-**	**98.8**	**111.7**	**118.4**	**126.3**	**158.4**	**4.62%**	**4.63%**	**3.03%**	**3.10%**

Source: World Bank Data, IMF, RBI, The Knowledge Company Analysis
Indian data taken from RBI, for India CY 2019 refers to FY 2020 and so on
For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23; FY 2025 (CY 2024) data is First Revised Estimates and FY2026 (CY 2025) is Provisional Estimates.
Country wise rank has been provided according to Nominal GDP
For calculation purposes, 1.0 USD =₹ 95.0
CY refers to the calendar year ending December, while FY refers to the financial year ending March.
Tn refers to Trillion
**Owing to the base change, the CY 2021- CY 2025 growth is not comparable and has not been considered.*

1.2 Overview of the Indian Economy

GDP and GDP Growth

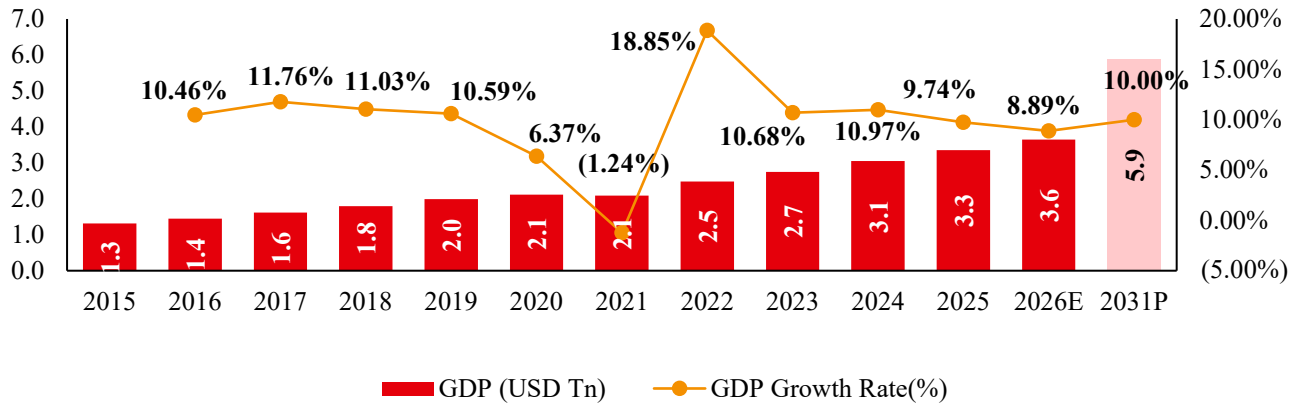
India is the fastest growing and one of the largest economies globally

India is the fastest growing major economy in the world and the sixth-largest economy globally in terms of nominal Gross Domestic Product (GDP) in FY 2026. The economy is on path to become a ~USD 5.9 Tn economy by FY 2031, reflecting sustained macro strength and a revival of consumption. Furthermore, India's GDP per capita increased from USD 1,578.1 (₹ 1,49,915.0) in FY 2020 and was estimated at USD 2,566.3 (₹ 2,43,803.0) for FY 2026 showing a CAGR of 8.44% between FY 2020 and FY 2026 and is projected to reach USD 3,837.7 (₹ 3,64,582.0) by FY 2031 with CAGR of 8.38% between FY 2026 to FY 2031.

India crossed the USD 2,000.0 GDP per-capita threshold in FY 2024 reflecting continued growth in per capita income, a level historically associated with accelerating consumption and growth in discretionary categories. For instance, China crossed the USD 2,000.0 nominal GDP per capita threshold in CY 2006 with GDP per capita of USD 2,129.3 which consequently catalysed growth in household consumption and discretionary spending. PFCE which is the total spending by households and non-profit institutions serving households (NPISHs) on final goods and services for consumption, such as food, clothing, housing, transport, health and education. Growth in China accelerated from a CAGR of 10.37% during CY 1999 to CY 2005 to CAGR of 17.76% during CY 2007 to CY 2013, supported by rising income levels and increased consumer spending capacity. Accordingly, India could

witness a similar consumption-led trajectory as rising per capita incomes beyond this threshold support further growth in household consumption and discretionary spending.

Exhibit 1.2a: *India's GDP at Current Prices (Nominal GDP) (In USD Tn) and Growth Rate (%) (FY)*



Source: RBI, The Knowledge Company Analysis
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23; FY 2025 data is First Revised Estimates and FY 2026 is Provisional Estimates.*
For calculation purposes, 1.0 USD =₹ 95.0

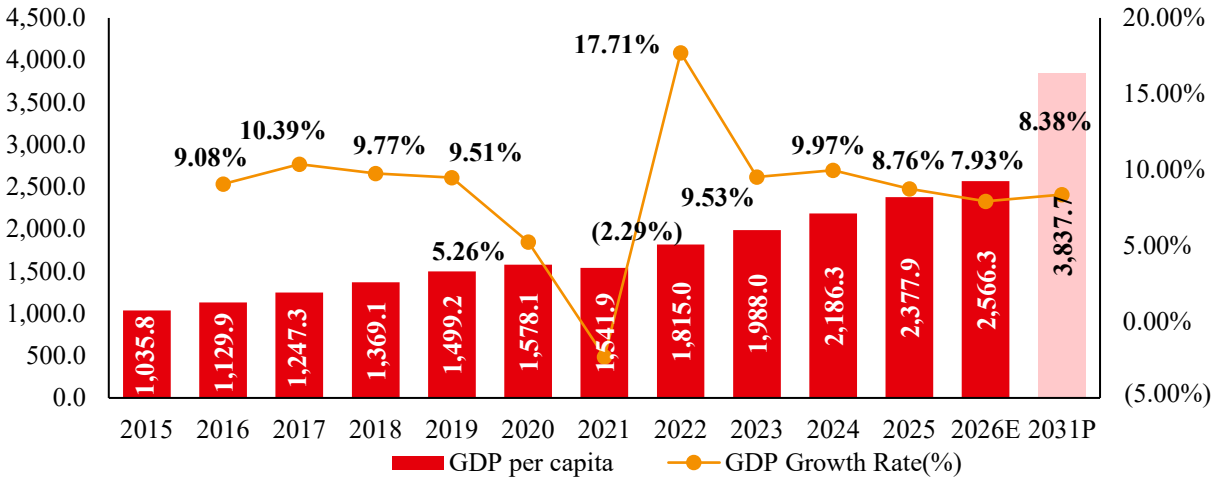
Exhibit 1.2b: *Cross-Country PFCE CAGR around USD 2,000 GDP per Capita Threshold (CY)*

Country (threshold crossing year)	GDP per capita at crossing (USD)	Pre-threshold period	Pre-threshold PFCE CAGR	Post-threshold period	Post-threshold PFCE CAGR
India (2023) *	2,186.3	2021-2022	3.76%	2024-2025	9.35%
Oman (1974)	2,203.4	1967-1973	12.57%	1974-1980	50.32%
Brazil (1987)	2,006.0	1980-1986	1.74%	1988-1994	8.11%
China (2006)	2,129.3	1999-2005	10.37%	2007-2013	17.76%

Source: World Bank, RBI
For India data is taken from RBI and CY 2023 refers to FY 2024, Pre-threshold period represents FY 2022- FY 2023, Post -threshold period refers to FY 2024 to FY 2025, for rest data is considered from World Bank

India's GDP per capita has increased over the past decade, reaching USD 2,186.3 in FY 2024 and is projected to reach USD 3,837.7 by FY 2031. GDP per capita growth is expected to remain positive through FY 2031, indicating a continued increase in per capita income.

Exhibit 1.2c: *India's GDP per capita at Current Prices (In USD) and Growth Rate (%) (FY)*



Source: RBI, The Knowledge Company Analysis
**For India, data till FY 2022 is at base year 2011-12 and FY 2023 onwards is at base year 2022-23; FY 2025 data is FRE and FY 2026 is PE.*
For calculation purposes, 1.0 USD = ₹95.0

Rising private final consumption expenditure is driving consumption-led growth

Private final consumption expenditure (PFCE) is expected to remain a key driver of growth, contributing ~56.74% of nominal GDP in FY 2026.
Per capita PFCE stood at USD 966.2 (₹ 91,790.0) in FY 2020 and is estimated at USD 1,456.0 (₹ 1,38,324.0) for FY 2026 with a CAGR of 7.07 % between FY 2020 to FY 2026 and is further projected to reach USD 2,128.3 (₹ 2,02,190.9) by FY 2031, at a CAGR of 7.89% between FY 2026E and FY 2031P, highlighting the resilience of household consumption.

Rising Share of Discretionary Consumption in India's PFCE

The share of discretionary spending in India's PFCE increased from 27.63% in FY 2020 to 29.98% in FY 2026 and is further estimated to reach 33.86% in FY 2031. Rising discretionary spending is supporting lifestyle- and experience-led consumption, including tourism. With contribution of tourism to nominal GDP is projected to double from USD 256.1 billion in FY 2024 to USD 523.6 billion by FY 2034 with a CAGR of ~7.41% over the same period, increasing travel and out-of-home occasions are expected to support beverage consumption growth. Furthermore, India's labour force participation rate increased from 56.10% in CY 2022 to 59.30% in CY 2025. Additionally, female labour force participation has also increased rapidly compared with male participation, rising from 33.90% in CY 2022 to 40.00% in CY 2025, versus an increase in male participation from 78.00% to 79.10%, supporting higher disposable incomes and demand for branded and discretionary products.

Increasing Per Capita Net State Domestic Product (NSDP) across Indian States

Net State Domestic Product (NSDP) refers to the value of all final goods and services produced within the geographical boundaries of a state during a financial year, net of consumption of fixed capital (depreciation). NSDP per capita, calculated as NSDP divided by the state's population, is used as an indicator of per capita income at the state level. Among the Key Select States (i.e. the states of Karnataka, Tamil Nadu, Gujarat, Maharashtra, Kerala, Andhra Pradesh, Odisha, Telangana and Madhya Pradesh and Goa), Tamil Nadu recorded the highest NSDP growth rate, followed by Karnataka, Andhra Pradesh and Maharashtra over the period of FY 2020 to FY 2026, with southern states broadly outperforming the national trend, supported by their strong services and manufacturing base and resulting in faster per capita income growth. Odisha (10.14%), Uttar Pradesh (10.18%) and Maharashtra (10.62%) also recorded steady growth. The Key selected states include key consumer markets in India, supported by relatively high consumption expenditure and favourable demand drivers. These states recorded a nominal GDP per capita of ₹ 2,96,086.0 (~₹ 296.1 thousand) in FY 2025. These states had an estimated nominal GDP per capita of ₹ 3,62,992.0 (~₹ 363.0 thousand) in FY 2026. In addition to these favorable demographic and urbanization characteristics, the Key Select States present favorable income distribution with GDP per capita being 1.5 times the all-India average in FY 2026.

The urban population across these states grew by absolute increase of 11.39% between FY 2020 and FY 2026, with the total population reaching 616.9 million in FY 2026. The Key Select States accounted for 52.22% of total domestic tourist visits in India in FY2024 which can support demand for NARTD beverages through increased out-of-home and on-the-go consumption occasions. Furthermore, the average median age across these states was 32.9 years in FY 2026.

These states combine higher incomes, increasing urbanisation and a relatively young population, positioning them as key drivers of consumption growth. They include five of India's eight metropolitan cities, which serve as major hubs for employment, commerce and migration. Their higher income levels are driven by a diversified economic base.

Exhibit 1.2d: *Per capita Net State Domestic Product (Current Price) (₹) (FY)*

States	2020	2026	CAGR 20-26
Karnataka	2,22,141	4,33,326	11.78%
Tamil Nadu	2,06,165	4,08,027	12.05%
Gujarat	2,12,428	3,57,531	9.06%
Maharashtra	1,89,843	3,47,903	10.62%
Kerala*	2,08,879	3,08,338	8.10%
Andhra Pradesh	1,60,341	2,94,507	10.66%
Odisha	1,04,633	1,86,761	10.14%
Madhya Pradesh	1,01,909	1,69,050	8.80%
Telangana	2,31,326	4,18,931	10.40%
Goa*	4,35,949	6,36,703	7.87%
Haryana*	2,32,530	3,53,182	8.72%
Himachal Pradesh*	1,86,559	2,58,196	6.72%
Uttarakhand	1,90,558	2,73,921	6.23%
Punjab*	1,54,385	2,16,592	7.01%
Rajasthan	1,15,534	2,02,349	9.79%
West Bengal	1,10,316	1,79,389	8.44%
Chhattisgarh	1,06,611	1,79,244	9.05%
Jharkhand*	75,016	1,16,663	9.23%
Uttar Pradesh*	67,639	1,09,844	10.18%
Bihar	44,175	76,300	9.54%
Union Territories			
Delhi*	3,55,798	4,92,592	6.72%
Union Territories*	1,31,826	1,94,782	8.12%
Northeastern States			
Northeastern States**	1,03,247	1,54,229	10.55%

Source: RBI, The Knowledge Company Analysis
Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim are collectively referred to as the Northeastern states.
Chandigarh, Andaman & Nicobar Islands, Puducherry and Jammu & Kashmir are considered under Union Territories (excluding Delhi, which is shown separately and Ladakh for which data was not available).
**CAGR reported for FY 2020- FY 2025 and Net State Domestic Product has been considered for FY 2020 and FY 2025 as per availability of data*
***CAGR reported for FY 2020- FY 2024 Net State Domestic Product has been considered for FY 2020 and FY 2024 as per availability of data*

Per capita consumption expenditure

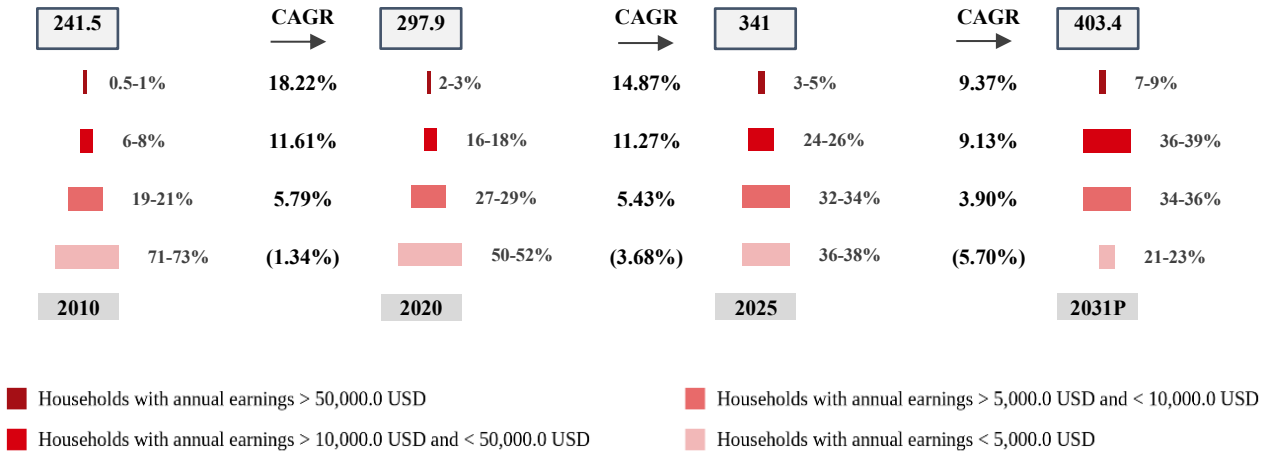
Per capita consumption expenditure as a share of per capita NSDP varies across states. In FY 2024, Karnataka (21.90%), Maharashtra (24.04%), Telangana (24.77%), Haryana (25.10%) and Tamil Nadu (26.94%) recorded lower ratios, indicating greater headroom for consumption growth as incomes rise. Madhya Pradesh (34.29%), West Bengal (35.32%) and Punjab (38.60%) recorded higher ratios, reflecting a larger share of income directed towards consumption.

Growing Middle Class

Rapid expansion of India's middle-income households is accelerating premiumization and creating sustained demand across consumer sectors

Households with annual incomes of USD 10,000-50,000, classified as the middle-income bracket, increased from 6.00-8.00% of the households in FY 2010 to 24.00-26.00% in FY 2025 and are projected to reach ~36.00-39.00% by FY 2031. This expanding middle-class is expected to drive demand for a broad range of goods, housing, healthcare, education, improved services, and premium products. Furthermore, households with annual incomes of USD 5,000-10,000, also considered part of the lower middle-income bracket, increased from 19.00-21.00% of households in FY 2010 to 32.00-34.00% in FY 2025 and are projected to reach ~34.00-36.00% by FY 2031.

Exhibit 1.2e: *Household Annual Earning Details (FY) and % share of different income brackets*



Source: Secondary Research, The Knowledge Company Estimates
Note: x-y% represents % of number of households

Demographic Dividend Supporting Consumption Growth in India

Favourable demographic factors are shaping the Indian economy with a rising young, working-age population driving consumption

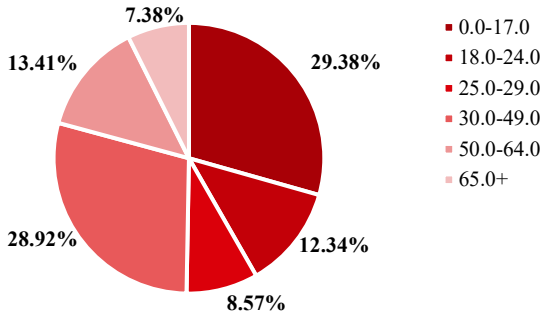
India has a large and relatively young population, with a total population of 1.5 billion in FY 2025, with people under 30 accounting for 50.29% of the total population in FY 2025, providing a sizeable and growing consumer base. India's median age was 28.8 years in CY 2025, significantly lower than major economies such as China and the USA, reflecting India's relatively younger demographic profile and larger working-age consumer base. This favourable demographic structure is expected to support beverage consumption, as an increasing number of younger consumers enter the workforce, experience rising incomes and participate more actively in social and leisure activities, thereby creating additional occasions for beverage consumption. About 63.24% of India's population was aged 18-64 years for FY 2025 supporting long-term consumption demand and premiumization.

Exhibit 1.2f *Median Age: Key Economies (CY 2025)*

Metric	India	China	USA	Germany	Japan	France	UK
Median Age	28.8	40.1	38.5	45.5	49.8	42.3	40.1

Source: United Nations

Exhibit 1.2 g: *Age-wise Population Distribution by Age of India (%) (FY 2025)*



Source: World Bank

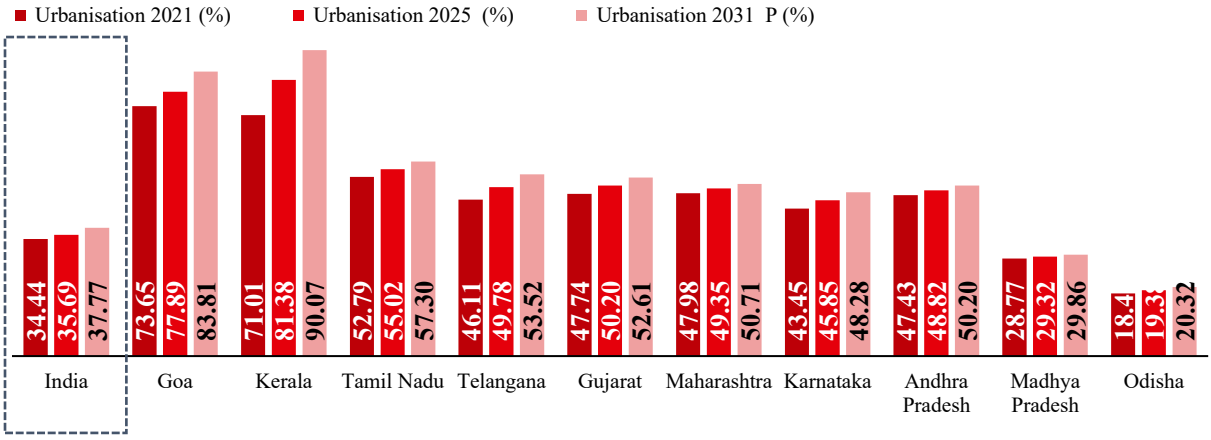
Rapid Urbanisation

Urbanisation is catalysing lifestyle transformation by fostering aspirational consumer preferences, expanding access to branded products and modern retail, and accelerating premiumization across consumer categories

Urbanisation is progressing steadily in India, with the urban population increasing from 478.7 million in FY 2020 to 522.4 million in FY 2025, representing a CAGR of approximately 1.76%, and the urbanisation rate reaching ~35.69% in FY 2025 which is significantly below the global average of 57.83%, with the urbanisation rate projected to increase to 37.77% by FY 2031.

Key Select States combine a higher degree of urbanisation with higher NARTD (Non-Alcoholic Ready-to-Drink) per capita spend compared to India. Urbanisation in the Key Select States is expected to increase from 45.61% in FY 2026 to 47.84% by FY 2031, compared with ~35.94% to ~37.77% for India, while NARTD per capita spend is expected to increase from ₹ 1,033.0 to ₹ 1,865.8 over the same period, compared with ₹ 958.7 to ₹ 1,672.0 for India.

Exhibit 1.2h: *Share of Urban Population across Key Select States in India (%) (FY)*



Source: For India, data has been taken from World Bank. For rest of the states 5.4b data has been taken from Population Projections for India and States 2011-2036, The Knowledge Company Analysis

Infrastructure Development and Expansion in India

Expansion of digital infrastructure is accelerating India's transition towards a digitally connected economy.

India's digital infrastructure has expanded rapidly, driven by the rollout of high-speed mobile connectivity and increasing adoption of digital platforms and payments. Since its launch in October 2022, 5G coverage has reached approximately 99.90% of districts. Furthermore, India had a 5G user base of 400.0 Mn as of Jan 2026 and over 500.0 million users across YouTube as of CY 2025. Growing social media usage and non-cash Point of Sale

transactions are accelerating India's digital consumption ecosystem, while the rapid adoption of e-commerce and quick-commerce is expanding access to packaged F&B and NARTD products through convenient, on-demand purchasing and digital ordering. The shift towards digital channels is also enabling greater product discovery, targeted consumer engagement and more frequent replenishment, supporting incremental consumption occasions and widening the addressable market beyond traditional retail. Between FY 2020 and FY 2026, India's total retail market grew from USD 647.6 billion to USD 1,036.4 billion with CAGR of 8.15%. Within this, organized retail expanded from USD 89.1 billion to USD 244.6 billion, raising its share of the total market from 13.75% to 23.60%. Unorganized retail, meanwhile, grew from USD 558.58 billion to USD 791.8 billion, though its share declined correspondingly from 86.25% to 76.40% over the same period in total retail market. Furthermore, India's retail e-commerce market grew from USD 26.7 billion in FY 2020 to USD 97.1 billion in FY 2026, registering a CAGR of 24.02%.

Improving Access to Electricity and Road Infrastructure

India's electrification rate rose from 88.00% in CY 2015 to 99.90% in CY 2024 and has stayed above 99.00% since CY 2021. National highway construction increased the network from 10,237.0 km in FY 2020 to 12,349.0 km in FY 2024, a CAGR of approximately 4.80%. Better power access and road connectivity, especially in rural areas, are expected to extend distribution reach and support wider adoption of branded consumer products.

2. OVERVIEW OF THE INDIAN PACKAGED FOOD AND BEVERAGE INDUSTRY

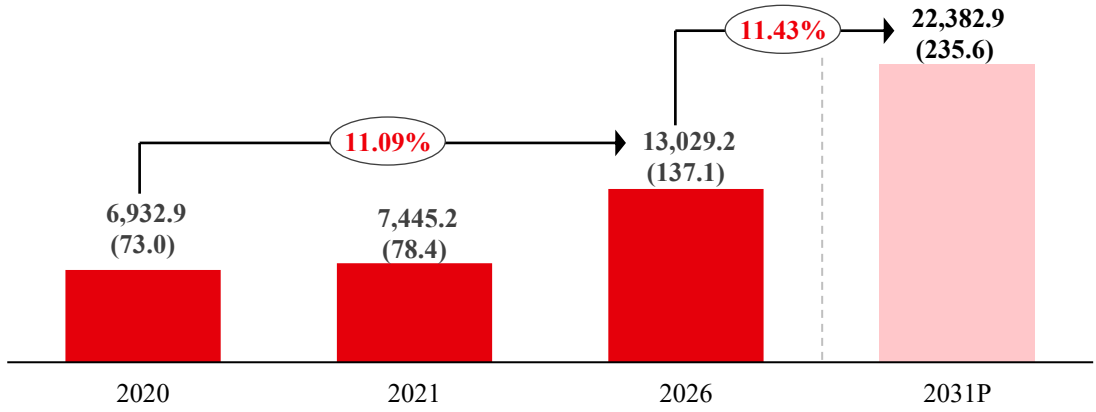
2.1 Indian Packaged Food and Beverage Market

India's Packaged Food and Beverage market is expected to grow at a CAGR of 11.43% from FY 2026 to FY 2031, reaching ₹ 22,382.9 (USD 235.6) Bn, driven by urbanization, rising incomes, convenience-led lifestyles and the continued shift from loose to branded and packaged products

India's Packaged Food and Beverage market is growing rapidly as consumer lifestyles and buying habits continue to change. Urbanization, rising incomes, smaller households and busier lifestyles are increasing the need for convenient food options. Consumers are also moving from loose and unbranded products toward branded and packaged products, driven by a greater focus on quality, hygiene, safety and convenience. At the same time, the expansion of modern retail, e-commerce and quick commerce is making packaged food easier to access across large and small cities as well as rural markets.

These changes have supported strong growth in the Indian Packaged Food and Beverage market, which increased from ₹ 6,932.9 (USD 73.0) Bn in FY 2020 to an estimated ₹ 13,029.2 (USD 137.1) Bn in FY 2026, registering a CAGR of 11.09%. The market is expected to grow at a CAGR of 11.43% from FY2026 to FY 2031, reaching ₹ 22,382.9 (USD 235.6) Bn. The continued growth reflects how Packaged Food and Beverage is becoming a more regular part of everyday household consumption, with further growth supported by wider availability, greater consumer acceptance and increasing adoption across different income groups and geographies.

***Exhibit 2.1a**: Indian Packaged Food and Beverage Industry (in ₹ Bn) (FY)*



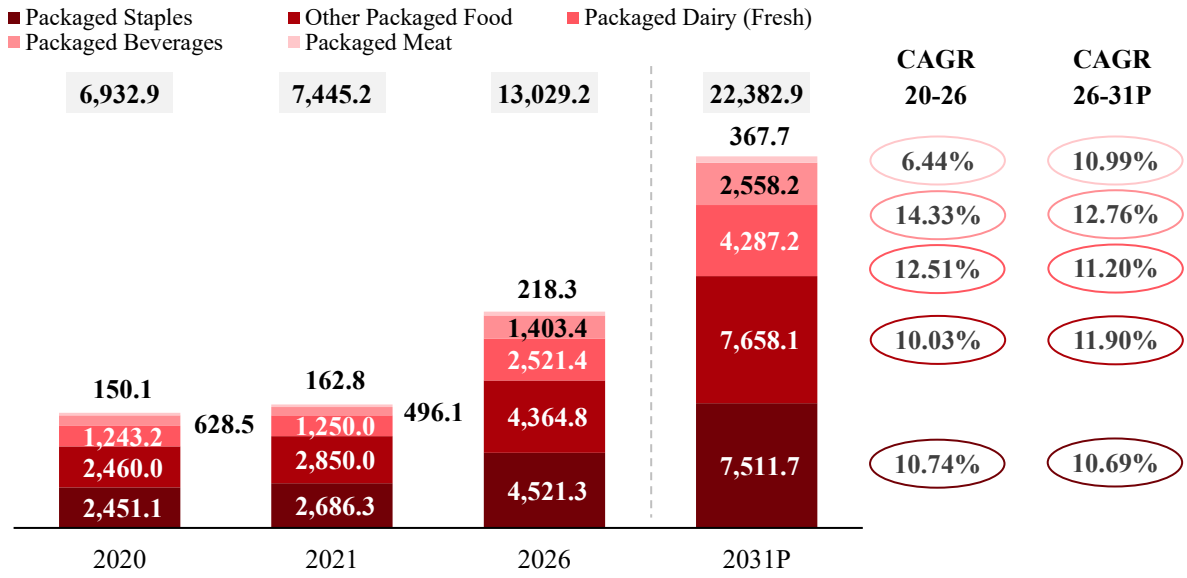
Source: Secondary Research, The Knowledge Company Analysis
Note: Numbers in percentage represents CAGR
() Indicates figures on USD Bn
The market sizing is for Packaged food Industry only and does not include loose sold products. Packaged Food and Beverage market size includes Packages Staples, Other Packaged Food (bakery & breads, confectionery, snacks, sauces, pasta and noodles, Ice-cream/frozen dessert, baby food, packaged sweets, breakfast cereals, value added dairy products, baby food, tea leaves, coffee powder, RTC, RTE, and packaged dry fruits), Packaged Dairy (Fresh), Packaged Beverages (both on-trade and off-trade), Packaged Meat.
The market size is basis retail sales and is same for all market sizing throughout the chapter
USD values have been converted at a constant exchange rate of 1.0 USD = ₹95.0

2.2 Indian Packaged Food and Beverage Industry by Category

Packaged Staples and other Packaged Food form the core of the market, while beverages, dairy and meat are gaining momentum as consumers increasingly shift towards convenient, packaged and value-added products

While industry value remains concentrated in packaged staples and other packaged food categories, the category mix is expected to gradually evolve over the forecast period. Within the industry, Packaged Beverages i.e. NARTD, are expected to grow faster than other categories, supported by India's warm climate, wider consumption occasions, rising on-the-go consumption, product innovations etc.

Exhibit 2.2a: *Indian Packaged Food and Beverage Industry – by Category (in ₹ Bn) (FY)*



Source: Secondary Research, The Knowledge Company Analysis
Note: Other Packaged Foods includes bakery & breads, confectionery, snacks, sauces, pasta- noodles, Ice-cream/frozen dessert, baby food, packaged sweets, breakfast cereals, value added dairy products, baby food, tea leaves, coffee powder, RTC, RTE, and packaged dry fruits
Indicates total Packaged Food & Beverage market size in ₹ Bn
USD values have been converted at a constant exchange rate of 1.0 USD = ₹95.0

2.3 Indian Packaged Food and Beverage Market by Channel

General Trade remains the backbone of Packaged Food and Beverage, while E-commerce/Quick Commerce is expected to remain the fastest-growing channel, supported by rising convenience-led, digital and impulse consumption occasions

Consumer purchase behaviour is becoming more occasion-led, with different retail channels serving different needs. General Trade remains the key channel for everyday purchases due to its wide neighbourhood and rural reach. Within Modern Trade, Brick & Mortar format stays relevant for planned shopping and larger baskets, while E-Commerce supports convenience and product discovery, including Quick Commerce which is emerging as an important incremental channel for top-up and immediate-consumption occasions.

By FY 2031, E-Commerce is expected to outpace Brick & Mortar growth supported by digital adoption, convenience and increasing demand for immediate consumption while Brick & Mortar Modern Trade continues to expand through organized retail expansion, wider assortment and premiumization. The key shift is therefore towards higher-growth organized and digital channels, which are expected to capture a disproportionate share of incremental market value through FY 2031, while General Trade remains the backbone of overall market reach.

Exhibit 2.3a: *Indian Packaged Food and Beverage Industry - by Channel (%) (FY)*

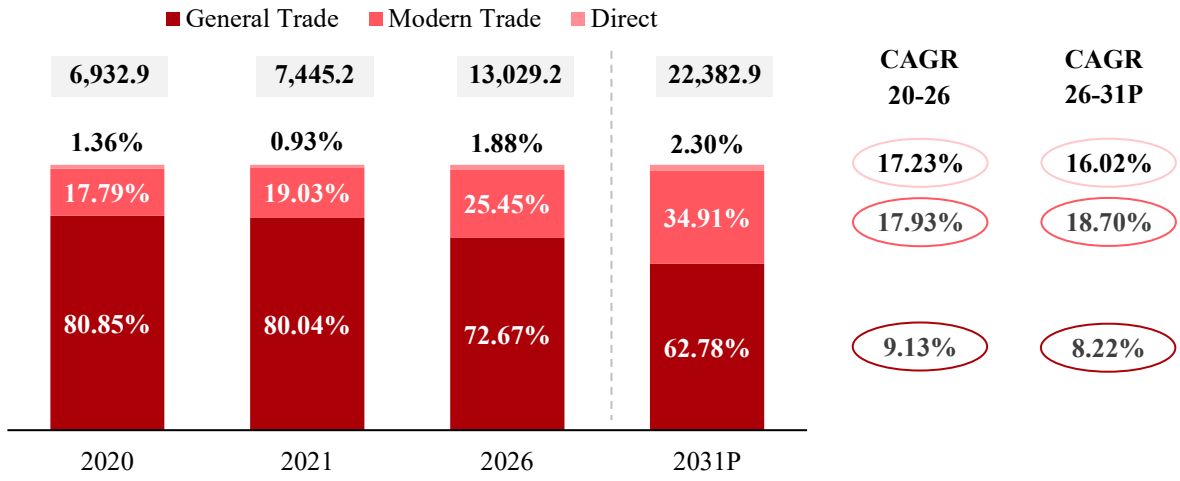


Exhibit 2.3b: *Modern Trade Channel Split by Format*

Modern Trade	FY 2020	FY 2021	FY 2026	FY 2031P	CAGR 2020-26	CAGR 2026-31P
Brick and Mortar	15.54%	15.92%	17.44%	20.03%	13.24%	14.57%
E-commerce	2.25%	3.11%	8.02%	14.88%	37.31%	26.11%
Total	***17.79%***	***19.03%***	***25.45%***	***34.91%***	***17.93%***	***18.70%***

Source: Secondary Research, The Knowledge Company Analysis
General Trade includes all traditional grocery stores, standalone unorganized stores
E-commerce includes general e-commerce & quick commerce
Direct refers to channel where companies directly sell to institutions or food services/entertainment, etc. General Trade, Modern Trade and E-commerce channels cater to both B2B and B2C demand including Hotels Restaurants & Cafés/Caterings (HORECA)
Indicates total Packaged Food & Beverage market size in ₹ Bn
USD values have been converted at a constant exchange rate of USD 1.0 = ₹95.0

2.4 Indian Packaged Food and Beverage Market in Key Select States (Maharashtra, Tamil Nadu, Karnataka, Gujarat, Madhya Pradesh, Andhra Pradesh, Telangana, Kerala, Odisha, Goa)

The Key Select States are at the forefront of market formalization, contributing 53.22% of India's Packaged Food and Beverage market in FY 2026 and offering significant growth opportunities for branded players

The Packaged Food and Beverage market across the Key Select States was estimated at ₹ 6,933.7 (USD 73.0) Bn for FY 2026, accounting for 53.22% of the total packaged food and beverage market in India. Within these states, the top five states (Maharashtra, Tamil Nadu, Karnataka, Gujarat, Madhya Pradesh) contributed 72.37% of Key Select States market for the same time period, supported by their larger consumer bases, higher urbanization and stronger retail presence.

While larger states continue to drive market scale and consumption, urbanization, income levels and retail access present a significant growth opportunity across the Key Select States.

Exhibit 2.4a: *Indian Packaged Food and Beverage Market in Key Select States (FY 2026)*

Key Select States	Total Packaged Food and Beverage Market in ₹ Bn
Maharashtra	1,532.7
Tamil Nadu	1,024.9
Karnataka	894.5
Gujarat	891.1
Madhya Pradesh	674.9
Andhra Pradesh	562.6
Telangana	511.6
Kerala	428.9
Odisha	377.8
Goa	34.6
Total	**6,933.7**

Source: Secondary Research, The Knowledge Company Analysis
1USD = ₹ 95.0

2.5 Key Trends & Growth Drivers

Young demographics, rising incomes, and urbanization are supporting packaged food and beverage adoption

India's demographic and economic fundamentals are creating a favorable environment for long-term growth in the Packaged Food and Beverage market. The country has a large base of young consumers, including over 700 Mn Gen Z and Millennials, who are more inclined toward branded consumption.

Urbanization is further amplifying these trends, as busier lifestyles, longer commutes and a greater need for convenience are making packaged foods an increasing acceptable choice for quick meals and snacking, while ready-to-drink beverages cater to hydration, refreshment and other beverage occasions throughout the day. In addition, wider availability through organized retail channels i.e. Modern Trade Brick & Mortar, E-commerce and Quick Commerce is improving accessibility across markets.

Nuclearization and growth of dual-income households are fuelling demand for convenience-led consumption

India's changing household structure is supporting greater demand for convenience-led food and beverage consumption. The rise of nuclear and dual-income households, along with increasingly time-constrained lifestyles, is increasing the preference for products that are easy to purchase, store and consume across both at-home and out-of-home occasions. Packaged Food and Beverages are well placed to benefit from this shift, with beverages increasingly consumed across commuting, work, travel, socialising and recreation. This is widening consumption occasions across carbonated soft drinks, juices, energy and sports drinks, traditional packaged beverages and emerging functional drinks. As a result, nuclearization and the rise of dual-income households are supporting greater adoption of convenient packaged food and beverage formats across consumption occasions.

Shift from unpackaged to packaged food and beverage is expanding packaged consumption

Traditionally, many Indian food and beverage products were consumed in loose or unpackaged, including staples such as flour, rice and besan and beverages such as juices, lassi and jeera drinks etc. Today, convenience, hygiene, consistent quality and ease of purchase play a greater role in consumer choices, with companies offering everyday staples in branded packs and beverages in ready-to-drink and single-serve formats. Examples include Coca-Cola's "Minute Maid", "RimZim" and Amul lassi& buttermilk in convenient packs. Wider retail availability and digital channels are making packaged food & beverages more accessible, encouraging consumers to increasingly consider convenience, consistency and portability alongside price.

Shifting consumption towards affordability, entry-level packs and lower price points

Pack architecture in India has evolved from a limited range of standard household formats to a broader mix of entry-level, individual and family packs. Categories such as packaged flour, butter and ketchup now offer smaller packs that lower the upfront cost of purchasing branded categories. A similar progression is visible in beverages, with players offering affordable price points and pack sizes to serve different price points and consumption needs. Within NARTD, the availability of 125-250 ml packs at ₹10.0-20.0 lowers the cost of trial and supports impulse purchases particularly relevant during summer. These entry packs help recruit new consumers, expand category penetration and support long-term volume growth.

Exhibit 2.5a: *Categories Illustrative in terms of Evolution of pack sizes*

Period	Packaged Flour	Non-Alcoholic Ready to Drink (NARTD) Bev.
Late 1990s to early 2000s	Branded packaged flour entered the market, primarily through larger household packs (10 kg)	Returnable glass bottles supported immediate consumption
Till 2023	1 kg, 2 kg and 5 kg packs became available alongside 10 kg packs	PET expanded the range from individual packs to 1-2.25 litre household formats
2023 onwards	Multiple pack sizes serve different budgets and household needs	125-250 ml packs at ₹10.0–20.0 support trial, impulse buying and immediate consumption

Source: Secondary Research

3. OVERVIEW OF NARTD MARKET IN INDIA

3.1 Non-Alcoholic Ready to Drink (NARTD) Market size (value) and growth

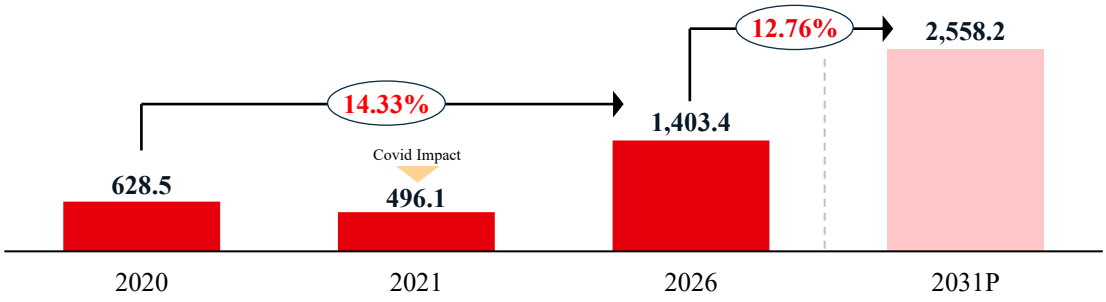
The Indian NARTD market is expected to sustain double-digit growth, increasing at a CAGR of 12.76% between FY 2026 and FY 2031, supported by factors like growing consumer base with changing consumption patterns from seasonal to year-round, increasing temperatures and visicooler penetration

The Indian Non-Alcoholic Ready-to-Drink (NARTD) market comprises packaged beverages intended for immediate consumption across four broad categories: Sparkling, Hydration, Juices and Others. Sparkling comprises CSD (including Cola and Non-cola carbonated beverages, RTD mixer, Sodas), and Energy Drinks. Hydration comprises Packaged Drinking Water and Advanced Hydration, including Sports drinks, ORS and Electrolyte-based RTD beverages. Juices include 100% Juices, Fruit-based Drinks and Nectars, while Others comprises Value Added Dairy (VAD) beverages and RTD Tea/Coffee. Together, these categories address a range of consumption needs including refreshment, hydration, nutrition, energy, wellness and convenience. India is a large and diverse country, with varying preferences across taste, price points and consumption occasions. This, resulting in differentiated demand across NARTD categories and beverage propositions. The Indian NARTD market was estimated valued at ₹1,403.4 Bn in FY 2026, increasing from ₹628.5 Bn in FY 2020, growing at a CAGR of 14.33% from FY 2020 to FY 2026. The market declined in FY 2021 as COVID-19-related restrictions disrupted mobility, reduced consumption and curtailed occasions such as travel, dining, entertainment and other activities that typically support beverage consumption. The market subsequently recovered as restrictions were eased and mobility and out-of-home consumption resumed.

FY 2026 saw a short-term moderation in market due to weather conditions, NARTD market growth moderated in FY 2026 due to weather conditions including a shorter summer and an extended monsoon with high-intensity rainfall. These conditions reduced the frequency and intensity of weather-led beverage consumption occasions, particularly during the summer months when higher temperatures typically support greater consumption of chilled and refreshment-oriented beverages. The impact was more pronounced in categories such as CSD and Packaged Drinking Water, where consumption is closely linked to heat, outdoor mobility, travel and immediate hydration or refreshment occasions. Reduced heat and increased rainfall also affected other weather-sensitive categories, including Juices, VAD and RTD Tea/Coffee, by influencing consumption occasions across chilled beverages, dairy-based refreshments and ready-to-consume beverage formats. However, this was a short-term moderation, and the NARTD market is expected to grow at a CAGR of 12.76% from FY 2026 to FY 2031 and is projected to reach ₹2,558.2 Bn by FY 2031.

The competitive landscape of the Indian NARTD market is diverse, comprising established players with presence across multiple categories, category-focused companies and regional players. Companies such as The Coca-Cola Company, PepsiCo, Parle Agro, amongst others, have presence across multiple NARTD categories in India. Globally, The Coca-Cola Company was the largest NARTD company in terms of revenue^ from non-alcoholic beverages (including concentrates) in CY 2025. Further in the Indian market, category-focused players such as Bisleri, Paper Boat and Red Bull have stronger presence in specific beverage sub-categories. Competitive intensity may also vary by geography and channel, with certain regional and local participants having a relatively stronger presence in specific markets or categories. For example, the market also includes regional and state-level brands such as Bovonto, Sosyo, Nandini and Bindu, amongst others, with the competitive landscape varying across categories and geographies. This combination of national, category-focused and regional players results in varied competitive dynamics across the NARTD market. Based on NIQ RMS data for the Soft Drinks and Packaged Drinking Water* Category for the 12-month period ending June 30, 2026 for India total retail market (Copyright © 2026, NielsenIQ Consumer LLC). Information reported to the Coca-Cola India in the Soft Drinks and Packaged Drinking Water* Category in India for the 12-month period ending June 30, 2026 shows that Coca-Cola India has 2 Sparkling brands (Thums Up and Sprite) in the Soft Drinks and Packaged Drinking Water category*, each with sales value greater than INR 100 billion in India for the 12-month period ending June 30, 2026.

Exhibit 3.1a: *NARTD Market Size in India (₹Bn) (FY)*



Source: Primary Research, The Knowledge Company Analysis
NARTD includes Sparkling, Hydration, Juices and Others. Sparkling comprises CSD (including Cola and Non-cola carbonated beverages, RTD mixer, Sodas), and Energy Drinks. Hydration comprises Packaged Drinking Water and Advanced Hydration, including Sports drinks, ORS and Electrolyte-based RTD beverages. Juices include 100% Juices, Fruit-based Drinks and Nectars, while Others comprises Value Added Dairy (VAD) beverages and RTD Tea/Coffee.
The market size is basis retail sales and is same for all market sizing throughout the chapter

*(*Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks; total packaged drinking water including bulk & pouch)*
(^Revenue of The Coca-Cola Company excludes revenue from RTD alcohol and Costa Coffee businesses)

Changing consumer needs are supporting category diversification

The Indian NARTD beverage market is also highly competitive, with competition spanning beverage categories, brands, channels and price points, reflecting the breadth of consumer needs and consumption occasions addressed by the market. Consumer beverage preferences are increasingly shifting from a predominantly refreshment-led consumption pattern towards a broader set of needs including hydration, nutrition, energy, wellness and convenience. This is resulting in greater subdivision of consumption by occasion and consumer need. Established core categories within Sparkling and Hydration continue to address everyday refreshment and hydration requirements, while faster-growing propositions within Energy Drinks, Advanced Hydration and RTD tea/coffee are addressing more specific occasions including physical activity, energy replenishment, on-the-go consumption and functional wellness. This is gradually diversifying the NARTD category mix and increasing the relevance of differentiated beverage propositions. The Indian NARTD beverage market is highly competitive, with competition ranging across beverage categories, brands, channels, and price points.

Within this evolving mix, affordable propositions are helping recruit new consumers through accessible price points, while premiumization is emerging as another dimension of this evolution, with differentiated formulations, ingredients, pack formats and brand positioning creating higher-value propositions across categories. This is particularly evident across premium and differentiated juices, specialised hydration, Energy Drinks, VAD and RTD Tea/Coffee, where consumers are increasingly evaluating products beyond basic refreshment and convenience.

3.2 International NARTD Market Inflection Points and Relevance for India

Comparable emerging markets recorded a marked increase in NARTD per capita spend after reaching similar stages of income and demographic development

The development of NARTD markets across China, Vietnam and Indonesia provides useful reference points for understanding how beverage consumption can evolve as emerging economies progress through rising income and consumption levels. In each of these markets, increasing consumer purchasing power was accompanied by a material expansion in per capita NARTD spend over the subsequent years.

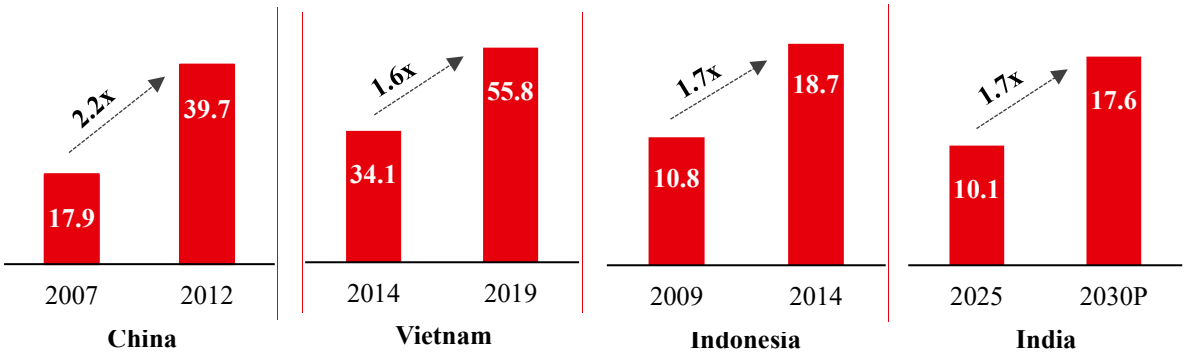
India is now at an NARTD per capita spend inflection point comparable to that observed in other countries at a similar stage of macroeconomic development, which experienced rapid NARTD spend growth thereafter. At similar levels of GDP per capita and demographic profile to India currently, China (in 2007), Indonesia (in 2009), and Vietnam (in 2014) each experienced per capita NARTD consumption growth of between 1.6x and 2.2x over the subsequent five years.

In addition to the international benchmarks above, India and the Key Select States, which represent ~45.41% of the Indian NARTD market, are supported by a favourable macro-demographic profile characterised by sustained economic growth, a relatively young population and continued population growth, while current NARTD per capita spend remains below the levels subsequently reached by comparable markets. This provides headroom for NARTD companies to expand category penetration and recruit new consumers, including by increasing the share of packaged NARTD beverages across consumption occasions currently served by home-prepared and traditional beverage formats. Greater convenience, consistency and product assurance can further support the adoption of packaged beverages over time.

Exhibit 3.2a: *NARTD Per Capita Spend Evolution Across Comparable Emerging Markets*

	China	Vietnam	Indonesia	India
Inflection Year	**CY 2007**	**CY 2014**	**CY 2009**	**CY 2025**
Nominal GDP per capita *($)*	2,735.0	2,546.0	2,218.0	2,546.0
Nominal GDP Growth* *(%)*	19.20%	7.45%	10.55%	10.00%
Median age *(years)*	32.8	29.8	26.3	28.8
Population Growth* *(%)*	0.70%	1.20%	1.30%	0.90%

NARTD per capita spend (USD)



Source: Secondary Research (World Bank, World Population Review, IMF and RBI), The Knowledge Company Analysis
**CAGR is given for 5 years post inflection year. Each market's 5-year window is anchored to its own inflection point, not a common calendar year.*
For calculation purposes, 1.0 USD = ₹95.0

3.3 NARTD Market Channel-wise Split

NARTD distribution is gradually shifting towards organized and digital channels, with quick commerce gaining relevance alongside the continued importance of General Trade

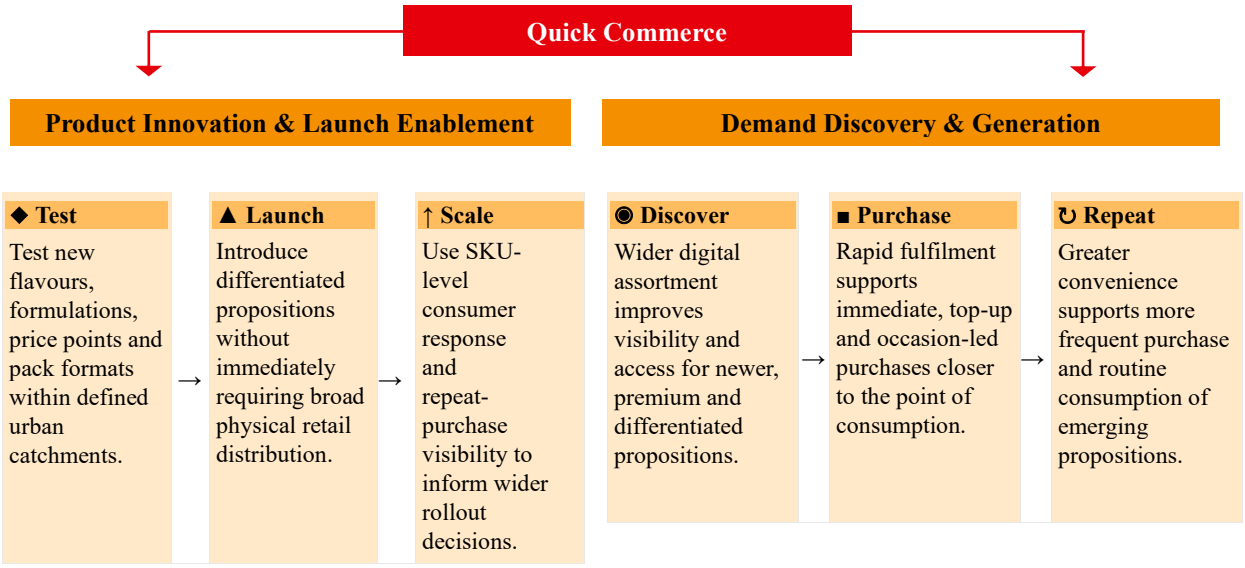
The NARTD channel mix is gradually shifting towards more organized and digital channels, supported by increasing consumer demand for convenience, wider assortment, premium and differentiated propositions, multipacks and immediate delivery. At the same time, general trade is expected to remain an important channel to increase market penetration, given its extensive physical reach, accessibility and relevance across every day and immediate-consumption occasions.

General trade remained the largest sales channel for the Indian NARTD market, accounting for 76.79% of the market in FY 2026, although its share is expected to moderate to 71.33% by FY 2031. General trade includes traditional grocery stores and standalone unorganized stores and serves both household purchases and a significant portion of demand from HoReCa outlets. Its broad physical reach, proximity to consumers, availability of single-serve packs and ability to support immediate and on the go consumption occasions make it particularly relevant for categories such as CSD, Packaged Drinking Water and other mass-market NARTD beverages. HoReCa outlets also predominantly source through the general trade distribution network, further supporting the channel's relevance across beverage categories.

Modern trade, including modern brick-and-mortar retail and e-commerce comprising general e-commerce and quick commerce, is gaining importance, with its share expected to increase from 16.25% in FY 2026 to 22.29% by FY 2031. Within modern trade, brick-and-mortar modern trade provides consumers with greater assortment, visibility and access to larger packs, multipacks and premium or differentiated propositions. It remains relevant for planned purchases and categories where consumers benefit from wider product choice and in-store discovery. E-commerce, including quick commerce, is growing at a faster pace, supported by increasing consumer preference for convenience, product discovery and rapid delivery.

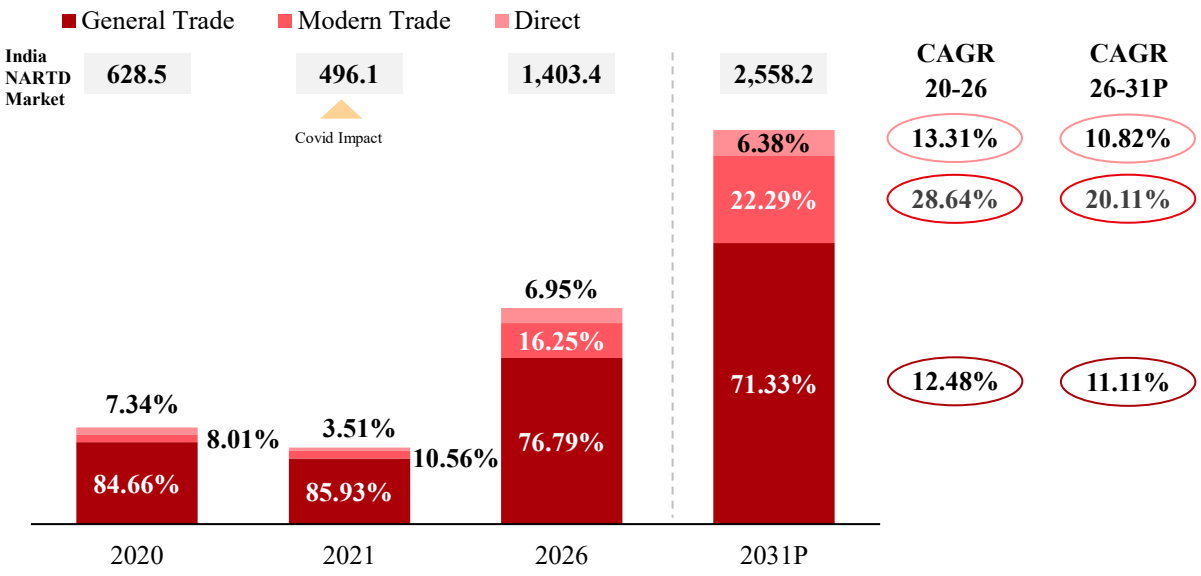
Whereas direct sales comprise companies directly supplying institutions, HoReCa, food service and entertainment establishments. The channel remains relatively smaller and is more relevant for organized accounts and larger institutional or foodservice requirements.

Within Modern Trade (E-commerce), quick commerce is increasingly influencing both how new NARTD propositions are introduced and how beverage demand is generated. The quick-commerce market accounted for less than 0.50% in FY 2020, with its share reaching 2.92% in FY 2026 growing at a CAGR of 100.52% from FY 2020 to FY 2026 and this is expected to increase further at a faster pace than overall e-commerce at a CAGR of 39.09% from FY 2026 to FY 2031, with its share reaching 8.35% of the total NARTD market by FY 2031. Its concentrated urban reach and wider digital assortment provide brands with a relatively controlled environment to test new flavours, formulations, price points and pack formats before broader rollout, while faster visibility into SKU-level consumer response can support quicker scale-up decisions. At the same time, rapid fulfilment enables purchases closer to the point of consumption, increasing the relevance of immediate, top-up and occasion-led beverage purchases. This is particularly relevant for newer, premium and differentiated propositions where physical retail availability may initially be narrower, allowing quick commerce to support both product discovery and more frequent consumption.



Illustrative NARTD Examples and Evidence			
Bru Ready-to-Drink Cold Coffee: HUL used online and Quick Commerce channels for the initial introduction of its RTD cold coffee proposition, before expanding the broader RTD beverage portfolio	**Thums Up X Force:** Coca-Cola introduced the low-sugar variant on Quick Commerce as an early digital-channel launch before broader market availability.	**B Natural+ Coconut Cola:** ITC introduced the product initially through Quick Commerce, using the channel as an early route-to-market for the new beverage proposition.	**Dabur Fusion Juices / Coconut Water:** Dabur has used online channels to introduce newer juice propositions and differentiated coconut-water formats

Exhibit 3.3a: *Sales Channel Split of NARTD Market (%) (FY)*



Split of Modern Trade	FY 2020	FY 2021*	FY 2026	FY 2031P	CAGR 2020-26	CAGR 2026-31P
Modern Trade B&M	6.00%	7.45%	9.75%	11.45%	23.98%	16.42%
E-commerce	2.01%	3.11%	6.50%	10.84%	39.04%	24.92%
Total Modern Trade	***8.01%***	***10.56%***	***16.25%***	***22.29%***	***28.64%***	***20.11%***

Source: Primary Research, The Knowledge Company Analysis
Modern trade includes (Modern trade brick & mortar and E-commerce including Quick Commerce)
**FY 2021 Covid Impact*

3.4. NARTD Market Price Split

NARTD growth is increasingly being captured at both ends of the price spectrum, as accessible entry-price propositions expand category participation while functional innovation, differentiated brand propositions and premium offerings drive higher-value growth.

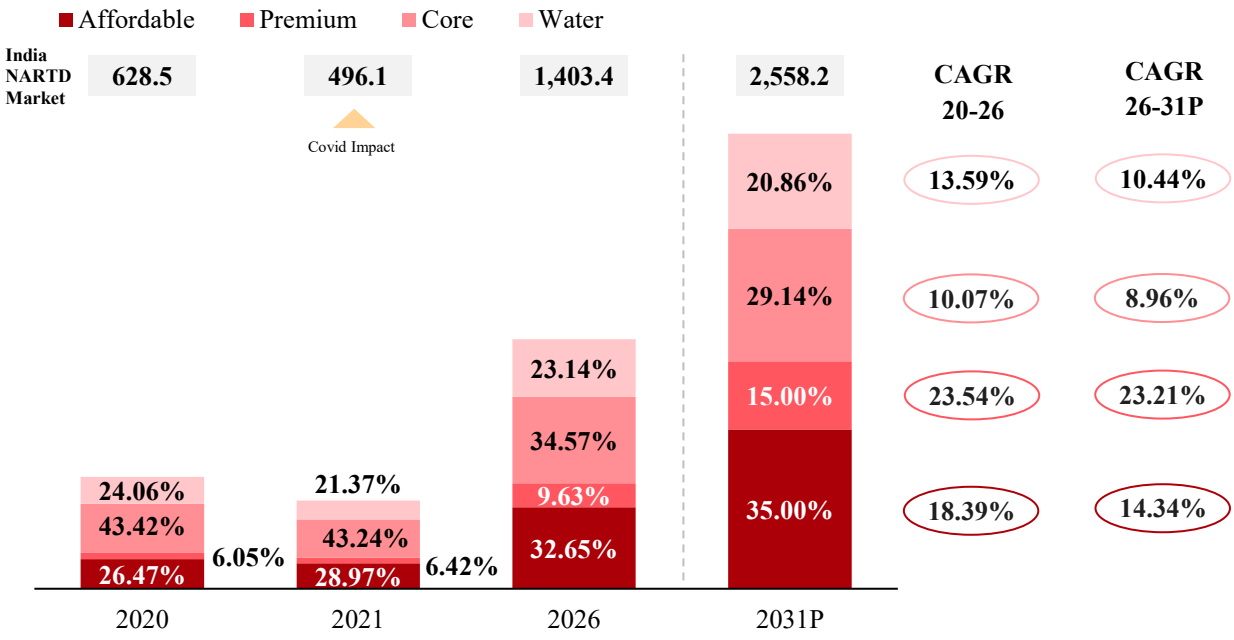
The price architecture of the Indian NARTD market reflects the simultaneous expansion of mass-market accessibility and differentiated, higher-value premium beverage propositions. Affordable sub-category's share increased from 26.47% of market value in FY 2020 to an estimated 32.65% in FY 2026 and is projected to reach 35.00% by FY 2031. This is being supported by continued emphasis on low-unit-price packs across established categories such as CSD and Juices, alongside the introduction of ₹10.0-20.0 propositions in categories that were historically positioned at higher price points, including Energy Drinks and Advanced Hydration. Pack-size and material innovations have enabled manufacturers to protect key consumer price thresholds while widening category participation, with smaller PET, RGB, pouch and other economical formats playing an important role in maintaining accessible absolute purchase prices.

The Core sub-category continues to represent a significant part of the market, although its share is expected to moderate from 34.57% in FY 2026 to 29.14% by FY 2031. As consumers move beyond entry-price formats, the sub-category captures a natural progression towards larger-pack CSD and Juice formats suited to in-home and shared consumption, increasing spend per purchase while remaining within mainstream beverage propositions.

At the other end of the spectrum, premium beverages are expected to gain share at a materially faster pace, increasing from 6.05% of market value in FY 2020 to an estimated 9.63% in FY 2026 and is projected to reach

15.00% by FY 2031. This reflects the faster expansion of categories such as Energy Drinks, Advanced Hydration, RTD Tea/Coffee and Value-Added Dairy, where higher realizations are increasingly supported by functional benefits, formulation, ingredients, convenience and differentiated consumption propositions rather than pack size alone. Premiumization is also supported by brand architecture, as established brands can extend into higher-value variants, sub-brands and adjacent propositions while leveraging existing consumer familiarity, trust and brand associations, thereby lowering barriers to trial and supporting greater willingness to pay.

Exhibit 3.4a: NARTD Market Price Split (%) (FY)



Source: Primary Research, The Knowledge Company Analysis

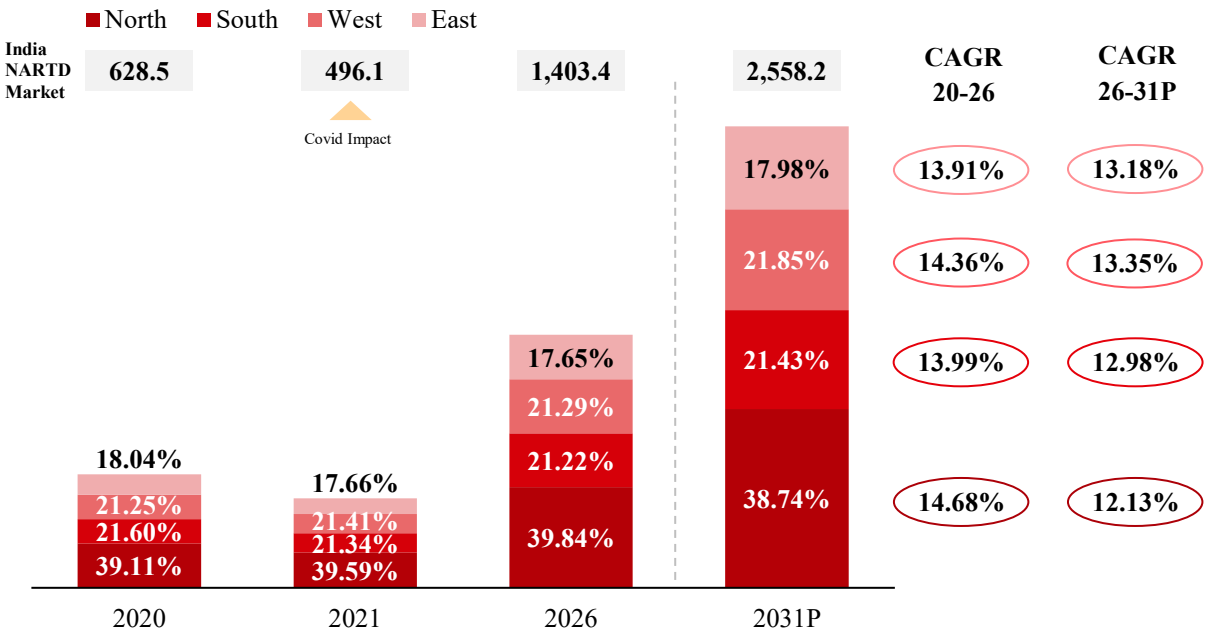
- *Affordable: Products priced at ≤₹20.0/unit across NARTD categories excluding water;*
- *Core: Products priced at >₹20.0/unit within CSD (includes RTD Mixers) and Juices (excluding cans priced >₹20.0/unit)*
- *Premium: Products priced at >₹20.0/unit within Advanced Hydration, Energy Drinks, RTD Tea/Coffee and Value-Added Dairy (including cans of CSD and Juices priced above >₹20.0/unit)*
- *Water: Packaged Drinking Water, including Sparkling Water, irrespective of price point.*

3.5. NARTD Market Regional Split

The Indian NARTD market exhibits distinct regional consumption patterns, with differences in beverage preferences, food culture and retail maturity shaping the category mix and growth trajectory across regions

The regional composition of the Indian NARTD market reflects differences in consumption habits, food culture, climate, beverage preferences and the maturity of retail infrastructure across markets. The North accounted for 39.84% of the market in FY 2026, followed by the West at 21.29%, South at 21.22% and East at 17.65%. Regional variations in weather conditions, including differences in summer intensity, winter duration and monsoon patterns, influence the seasonality and consumption occasions for NARTD beverages, with certain categories experiencing relatively higher or lower demand across different periods of the year. For instance, the North experiences more pronounced seasonal variations, with intense summers followed by colder winters, which can result in stronger summer-led consumption and relatively lower consumption of certain chilled beverages during winter. In contrast, the South generally experiences warmer conditions through a larger part of the year, supporting more consistent year-round consumption of NARTD beverages. In addition, differences in retail infrastructure, regional taste preferences and levels of urbanization influence product availability, accessibility and consumption patterns across markets.

Exhibit 3.5a: *NARTD Market Regional Split (%) (FY)*



Source: Primary Research, The Knowledge Company Analysis
South India includes states of Andhra Pradesh, Telangana, Karnataka, Kerala, and Tamil Nadu
West India includes states of Gujarat, Goa, and Maharashtra, Madhya Pradesh
North India includes states of Himachal Pradesh, Punjab, Uttarakhand, Uttar Pradesh, Rajasthan, Haryana, and UTs Delhi, Chandigarh and J&K
East India includes states of Bihar, Odisha, Jharkhand, Chhattisgarh, West Bengal and 8 north eastern states

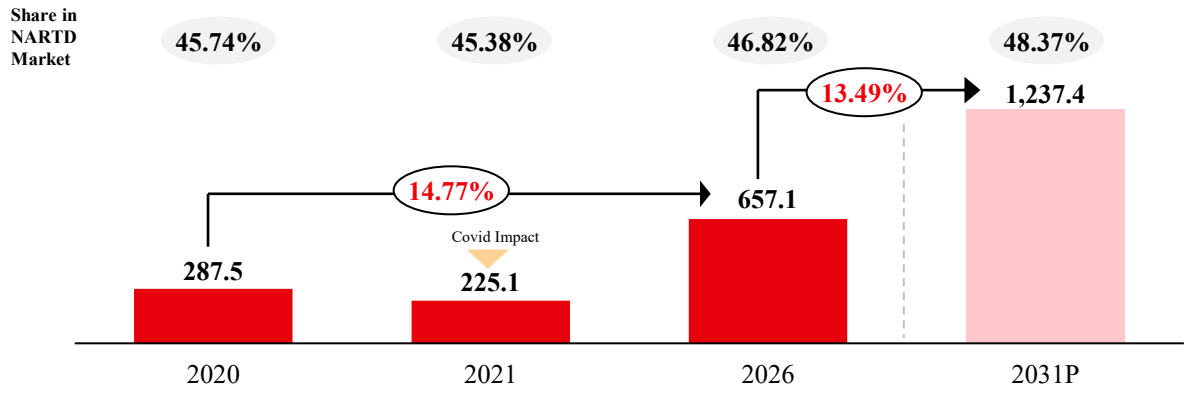
3.6. Category Wise NARTD Market Size (value) and Growth

Sparkling

Sparkling is expected to grow at a CAGR of 13.49% from FY 2026 to FY 2031, supported by core sub-categories like CSD, with widespread distribution and established refreshment occasions, alongside newer propositions such as Energy Drinks

The Indian Sparkling market, comprising Carbonated Soft Drinks (CSD) and Energy Drinks, increased from ₹287.5 Bn in FY 2020 to ₹657.1 Bn in FY 2026 and is expected to further increase to ₹1,237.4 Bn by FY 2031P, registering a CAGR of 13.49% between FY 2026 and FY 2031. The category accounted for 46.82% of the NARTD market in FY 2026 and is expected to increase its share to 48.37% by FY 2031P. The market is supported by CSD which is an established, utility-led beverage category, with growth supported by increasing urbanization, mobility and availability, while Energy Drinks are expanding the category into newer consumption occasion. Within the Sparkling market, CSD includes cola and non-cola carbonated beverages, covering propositions such as cola, lemon-lime, orange and other flavoured carbonated beverages, while Energy Drinks comprise beverages positioned around energy, alertness and performance.

Exhibit 3.6a: *Sparkling Market Size, All India (₹Bn) (FY)*



Source: Primary Research, The Knowledge Company Analysis

The CSD category includes CSD-cola, CSD non-cola, RTD Mixers, Sodas and Other Carbonated beverages, spanning mainstream cola, lemon-lime and orange propositions as well as differentiated and Indian flavour-led carbonated beverages. The category is supported by a broad consumer base and established refreshment and out-of-home consumption occasions, with brands such as Coca-Cola, Thums Up, Sprite, Limca, Fanta, Pepsi, 7UP, Mountain Dew, Mirinda and Campa Cola competing alongside regional and differentiated propositions. Coca-Coca India's portfolio has 2 Sparkling brands (Thums Up and Sprite) in the soft drinks and packaged drinking water category*, each with sales value greater than INR 100 billion in India for the 12-month period ending June 30, 2026. CSD growth moderated in FY 2026, partly reflecting weather conditions, including a shorter summer and an extended monsoon with heavier rainfall, which affected a category that is closely linked to heat intensity, chilled consumption and summer-led refreshment occasions. Increasing availability of smaller and affordable packs is supporting accessibility and on-the-go consumption, while the expansion of Light, Diet and Zero Sugar variants is creating additional choice within established cola occasions. Light and Diet variants accounted for 7.00% of the CSD-cola market in FY 2026 and are expected to approximately double their share by FY 2031, indicating increasing adoption of lower- and no-sugar propositions and supporting premiumization within the cola sub-category.

The Energy Drinks market is expected to register a comparatively faster CAGR of 25.62% over FY 2026 to FY 2031 as compared to overall NARTD market in India. The category is expanding beyond traditional energy and alertness occasions towards fitness, gaming, entertainment, nightlife, work and travel, particularly among younger urban consumers. The competitive landscape spans premium brands such as Red Bull, Monster and Predator alongside more accessible propositions such as Sting and Campa Energy, with a widening range of pack formats and price points broadening the consumer base. The category is currently undergoing a regulatory transition following FSSAI's (Food Safety and Standards Authority of India) direction requiring certain high-caffeine beverages to discontinue the use of the term "energy drink" and related functional claims. The transition may have a short-term impact on branding, packaging, distribution and consumer communication as companies adapt their positioning. Over the longer term, continued urbanization, activity-led consumption and the expansion of accessible price points are expected to support category growth.

Exhibit 3.6b: *Sparkling Market Size, All India (₹Bn) (FY))*

Category	FY 2020	FY 2021*	FY 2026	FY 2031P	CAGR 2020-26	CAGR 2026-31P
CSD	269.7	209.4	564.3	947.1	13.09%	10.91%
Energy Drinks	17.8	15.8	92.8	290.3	31.69%	25.62%
Total Sparkling Market	***287.5***	***225.1***	***657.1***	***1,237.4***	***14.77%***	***13.49%***

Source: Primary Research, The Knowledge Company Analysis
**FY 2021 Covid Impact*

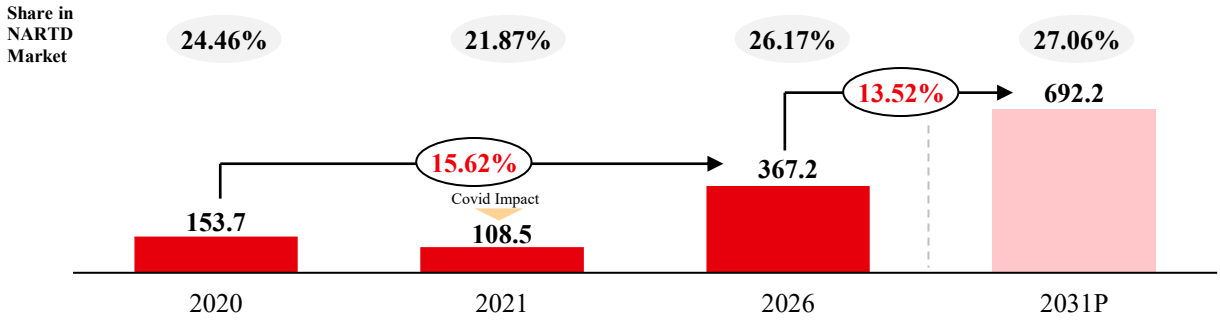
*(*Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks; total packaged drinking water including bulk & pouch)*

Hydration

Hydration is expected to grow at a CAGR of 13.52% from FY 2026 to FY 2031, the growth being supported by the recurring need for Packaged Drinking Water and faster adoption of specialised hydration propositions linked to fitness, activity and functional wellness

The Indian Hydration market, comprising Packaged Drinking Water and Advanced Hydration, is expected to increase from ₹367.2 Bn in FY 2026 to ₹692.2 Bn by FY 2031, registering a CAGR of 13.52%. Its share of the NARTD market is expected to increase from 26.17% in FY 2026 to 27.06% by FY 2031. The category combines the broad-based, recurring hydration needs addressed by Packaged Drinking Water with more specialised hydration propositions addressing sports, electrolyte, recovery and functional hydration need. While Packaged Drinking Water provides the established consumer base, Advanced Hydration is expected to grow at a faster pace as consumers increasingly associate hydration with fitness, activity and functional wellness.

Exhibit 3.6c: *Hydration Market Size, All India (₹Bn) (FY))*



Source: Primary Research, The Knowledge Company Analysis

Packaged Drinking Water including Still and Sparkling Water, is a core hydration category addressing a fundamental and recurring need rather than being primarily driven by refreshment, taste or indulgence, and projected to grow at a CAGR of 10.44% from FY 2026 to FY 2031. Consumption is closely linked to immediate access outside the home, with travel, commuting, tourism, dining and other out-of-home occasions supporting recurring demand. The competitive landscape includes established brands such as Kinley, Bisleri, Aquafina and Bailley, alongside a long tail of regional brands catering to markets across geographies and price points. Premium propositions such as Himalayan, Smart Water, Vedica, Schweppes, Evian and Perrier are also growing although accounts for a small share and it has greater relevance within premium dining, hospitality and other higher-end consumption occasions. General Trade remains the dominant sales channel providing access for immediate-consumption and convenience-led purchases.

Advanced Hydration, comprising sports drinks, advanced water and oral rehydration solutions, it is the fastest-growing NARTD category in terms of CAGR over FY 2020 – FY 2026 and FY2026 – FY2031. The category addresses more specialised hydration needs, including physical activity, electrolyte replenishment, recovery, heat exposure and functional wellness. Sports Drinks and electrolyte based drinks include propositions such as Gatorade, Powerade, ION4 and Tata Gluco+, Limca GlucoCharge while ORS propositions include Electral and Enerzal, alongside emerging advanced and functional water offerings. The category is supported by increasing consumer focus on fitness, activity and functional benefits, particularly among urban and younger consumers, while its consumer base remains narrower than conventional Packaged Drinking Water.

Exhibit 3.6d: *Hydration Sub-Category Market Size, All India (₹Bn) (FY))*

Category	FY 2020	FY 2021*	FY 2026	FY 2031P	CAGR 2020-26	CAGR 2026-31P
Packaged Drinking Water	151.2	106.0	324.8	533.7	13.59%	10.44%
Advanced Hydration	2.5	2.5	42.4	158.5	60.03%	30.15%
Total Hydration Market	***153.7***	***108.5***	***367.2***	***692.2***	***15.62%***	***13.52%***

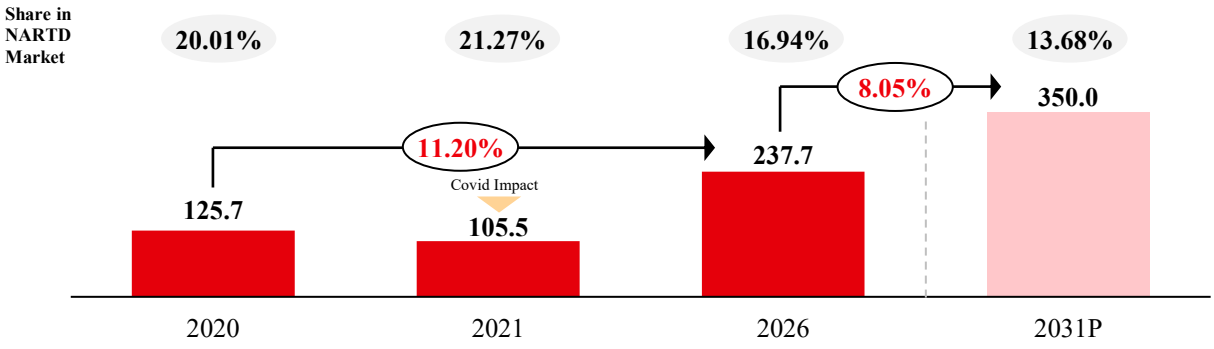
Source: The Knowledge Company Analysis
**FY 2021 Covid Impact*
Packaged Drinking Water market excluding bulk

Juices

Juices are expected to continue with the growth, supported by established fruit-based consumption alongside increasing consumer preference for healthier, differentiated and premium packaged beverage propositions

The Juices market is expected to register a CAGR of 8.05% during FY 2026 to FY 2031. Its share of the NARTD market is expected to moderate from 16.94% in FY 2026 to 13.68% by FY 2031, reflecting faster growth in other NARTD categories. Despite the moderation in share, the category is expected to continue expanding, supported by established fruit-based consumption occasions and demand for convenient packaged beverages. Increasing health and wellness awareness is also influencing consumer choices, with greater attention to sugar content, ingredients and perceived naturalness, supporting demand for differentiated and premium packaged juice propositions. Mango remains the dominant flavour preference, accounting for 76.00% of the category in FY 2026, while non-mango flavours such as orange, mixed fruit, apple and other fruit variants provide additional consumer choice. The competitive landscape includes brands such as Maaza, Frooti, Slice, Real, Tropicana, Minute Maid, B Natural and Paper Boat, alongside premium propositions such as Raw Pressery. The category is also broadening beyond conventional juice formats, these newer and premium propositions are providing additional avenues for category development as consumers increasingly seek differentiated ingredients and perceived health and naturalness benefits.

Exhibit 3.6e: *Juices Market Size, All India (₹Bn) (FY)*



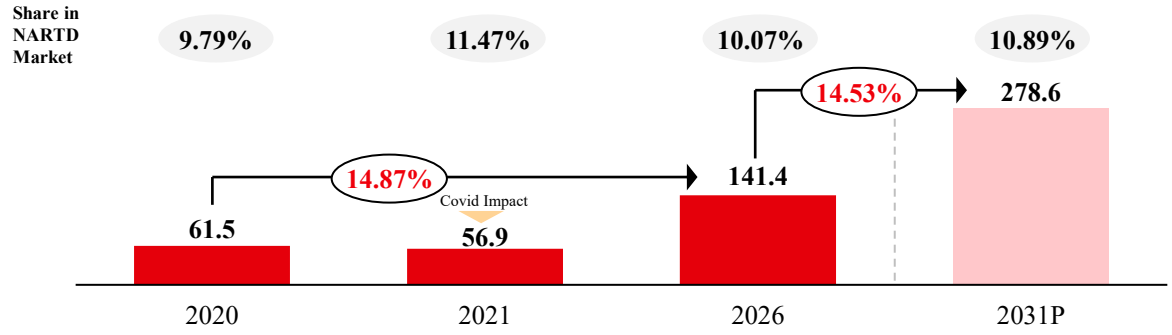
Source: Primary Research, The Knowledge Company Analysis

Others (Includes VAD and RTD Tea/Coffee)

Others (VAD and RTD Tea/Coffee) category is expected to grow faster than the overall NARTD market, supported by increasing adoption of convenient packaged value-added dairy beverages and the gradual development of RTD Tea and Coffee consumption occasions

The others category, comprising Value Added Dairy (VAD) and RTD Tea/Coffee share of the NARTD market is expected to increase from 10.07% in FY 2026 to 10.89% by FY 2031. The category combines the established consumption base and wider adoption of packaged dairy beverages with the emerging convenience-led consumption occasions for RTD Tea and Coffee.

Exhibit 3.6f: *Others Including VAD and RTD Tea/Coffee Market Size, All India (₹Bn) (FY))*



Source: Primary Research, The Knowledge Company Analysis

The VAD market is expected to register a CAGR of 14.17% from FY 2026 to FY 2031. The category comprises dairy-based beverages such as flavoured milk, milkshakes, lassi, buttermilk and other protein-based smoothies etc., extending dairy consumption into convenient ready-to-consume formats. Growth is supported by established dairy consumption preferences alongside increasing demand for convenience, with packaged formats enabling consumption across home, travel and out-of-home occasions.

The RTD Tea/Coffee market remains the smallest NARTD category by value as of FY 2026 but is expected to grow at a relatively faster pace as packaged ready-to-consume formats gain wider availability, and new consumption occasions develop. The competitive landscape is evolving across mainstream and premium propositions, with brands such as Nestlé, Britannia and Amul, alongside premium and specialised brands such as Sleepy Owl and Starbucks.

Exhibit 3.6g: *Others (Including VAD and RTD Tea/Coffee) Sub-Category Market Size, All India (₹Bn) (FY))*

Category	FY 2020	FY 2021*	FY 2026	FY 2031P	CAGR 2020-26	CAGR 2026-31P
Dairy Beverages (VAD)	58.9	54.2	132.4	256.8	14.46%	14.17%
RTD Tea/Coffee	2.7	2.7	9.0	21.8	22.45%	19.41%
Total Others Market	**61.5**	**56.9**	**141.4**	**278.6**	**14.87%**	**14.53%**

Source: The Knowledge Company Analysis

**FY 2021 Covid Impact*

3.7. Evolution of pack-price and pack-size over time

NARTD pack-price architecture has evolved from broad affordability-led formats to category- and occasion-specific price ladders

The evolution of NARTD packs in India has not been a simple shift towards either smaller or larger formats. Instead, pack architecture has progressively become a tool to address three different consumer requirements: price points, consumption occasion and product proposition. Mature categories such as CSDs, Juices and Packaged Drinking Water continue to use a broad price-volume ladder to maximise accessibility, while newer categories such as Energy Drinks, Sports Drinks, Value-Added Dairy and RTD Coffee/Tea are predominantly built around single-serve formats, where price increasingly reflects functionality and proposition rather than volume alone.

Exhibit 3.7a: *Evolution of NARTD Pack-Price Architecture and Channel Dynamics in India*

	Phase 1 | 2000s–2014 Price-point-led massification	**Phase 2 | 2015–2019 Occasion- & format-led diversification**	**Phase 3 | 2020–Present Proposition- & channel-led division**
Market Objective	***Build access to packaged beverages***	***Address more consumption occasions***	***Address affordability, functionality, convenience and premiumization needs***
Pack-Price Behaviour	• Small packs reduce absolute cash outlay • Larger packs offer better value per litre • Linear pack ladder: smaller pack = lower ticket; larger pack = better value • Portfolio concentrated in established beverage categories	• Expansion of resealable 250–600 ml formats for individual consumption • Low-ticket packs continue for trial / impulse • Family packs of 750 ml–2 L differentiate at-home and sharing occasions • Wider use of PET, carton, can and glass creates differentiated price points • RTD Tea/Coffee, premium Juices, Dairy beverages and Energy Drinks broaden the proposition set	• Similar single-serve sizes operate at widely different price points • Entry-price packs lower trial barriers in newer categories • Energy, sports/hydration, functional dairy and RTD Tea/Coffee expand single-serve propositions • Premium cans, zero-sugar, protein / functional formats widen price-per-litre dispersion • Mature categories sharpen value architecture through larger packs / higher volume
Channel Evolution	• General Trade is the primary channel • On-trade / institutional channels relevant for Packaged Drinking Water and immediate consumption • Modern Trade presence limited; assortment narrow • Distribution economics favour high-velocity, limited-SKU architecture	• Modern Trade expands, enabling wider assortment and larger packs • Organized foodservice and chilled shelves improve visibility of newer formats • E-commerce emerges as a discovery and wider-assortment channel, though still small • General Trade remains core, but pack architecture becomes more channel differentiated	• Quick commerce materially increases visibility of premium and single-serve formats • E-commerce / quick commerce enable wider assortment, imported SKUs, multipacks and trial • General Trade remains critical for ₹10-20 mass price points • Modern Trade plays a stronger role in assortment and premiumization
Most Visible Categories	• CSD | Juices | Packaged Drinking Water | Traditional Dairy	• CSD | Juices | Water | RTD Tea/Coffee | Energy Drinks	• CSD | Energy Drinks | Sports/Hydration | Functional Dairy | RTD Tea/Coffee | Premium Drinking Water/Juices
Illustrative Players	• Coca-Cola, Thums Up, Sprite, Pepsi, 7UP, Bisleri, Kinley, Aquafina, Maaza, Frooti, Real, Amul, Mother Dairy	• Thums Up, Sprite, Coca-Cola, PepsiCo, Tropicana, Real, B Natural, Nescafé RTD, Amul Kool, Cavin's, Red Bull, Monster, Sting	• Sting, Thums Up Charged, Coca-Cola Zero Sugar, Limca GlucoCharge, Campa Energy, Red Bull, Monster, Gatorade, Powerade, Nescafé, Sleepy Owl, Starbucks RTD, Amul Protein, Epigamia, YoPro,
Key Takeaway	• **Pack architecture was primarily designed around affordability and physical distribution reach.**	• **Pack architecture began to differentiate by consumption occasion and channel, not only affordability.**	• **Price increasingly reflects proposition, functionality and channel economics - not pack volume alone.**

Source: Primary and Secondary Research, The Knowledge Company Analysis

3.8. Marketing and Consumer Brand Building in the Indian NARTD Market

The Indian NARTD market spans established categories with high brand familiarity as well as emerging propositions that require greater consumer education and trial, resulting in a more layered approach to marketing. For brands like Coca-Cola, Thums Up etc., brand power and affinity is often built over decades through taste, product experience and consumer communication etc, creating strong awareness and preference and supporting extension into higher-value propositions. While television, outdoor media, sports, entertainment and celebrity associations continue to provide broad reach and reinforce brand salience, digital and social platforms are enabling more targeted and continuous consumer engagement through short-form content, creator and influencer partnerships, regional-language communication and interest or occasion-led messaging. The increasing availability of consumer and transaction data across digital commerce, quick commerce, loyalty ecosystems and media platforms is also enabling brands to refine audience classification, personalise communication and evaluate campaign effectiveness with greater granularity.

At the same time, packaging, retail visibility, sampling, experiential activations and digital integrations are further being used to connect brand communication with product discovery, trial and repeat purchase. Within this broader marketing environment, NARTD companies like The Coca-Cola Company's consumer marketing, research and development, innovation and joint business planning capabilities support the development of consumption occasions and premiumization through consumer-engagement initiatives such as Coke Studio, cricket and food-pairing platforms, alongside a data-driven digital marketing model. Additionally, The Coca-Cola Company's beverages were consumed 2.20 billion times each day across more than 200 countries and territories worldwide in the CY 2025. NARTD marketing is therefore evolving from a predominantly mass-media model towards an integrated consumer-engagement architecture that combines scale, relevance and conversion across multiple touchpoints. Accordingly, the role of marketing is broadening from generating awareness alone to strengthening consumer affinity and overall brand power across different stages of the consumer journey. India is a major market of the Coca-Cola System in which a local brand, i.e., Thums Up, is larger than Coca-Cola by market share by sales value in the Key Select States for the 12-month period ending June 30, 2026.

Exhibit 3.8a: *Marketing Levers Across Key Brand-Building Objectives in the NARTD Market*

Brand-Building Objective	Build Salience	Build Relevance & Affinity	Reinforce Brand Strength
What brands seek to achieve	Maximise mental availability and remain readily recalled at the point of a beverage occasion	Build distinctive associations with specific consumer cohorts, needs and consumption occasions	Convert familiarity and preference into sustained consumer predisposition, trial and repeat engagement
Key marketing levers	• High-attention cultural properties such as cricket and entertainment • Celebrity / pop-culture partnerships • Distinctive visual and sonic brand assets • Synchronised TV, OTT, OOH and social-media bursts during high-consumption periods	• Occasion ownership around meals, gaming, sports, refreshment or energy • Creator and influencer ecosystems • Vernacular and cohort-specific creative • Contextual communication around product benefits such as energy, hydration or refreshment	• Data-led audience targeting and retargeting • Pack-to-digital engagement through QR / promotions • Sampling and experiential trial • Point-of-sale visibility and chilled availability • Consumer promotions designed to encourage repeat interaction
Illustrative market activity	**Thums Up × Allu Arjun** – "Thunder Hai Main" (2024): celebrity-led campaign timed around Pushpa 2, supported by special-edition Allu Arjun cans **Campa × IPL:** high-share-of-voice TV and digital sponsorship during peak summer, together with cricket pouring rights **Sting -"Sound of Six":** embedding a distinctive sonic mnemonic into cricket moments  	**Thums Up – Toofani Biryani Hunt Season 2 (2024)**: Disney+ Hotstar content with Ranveer Brar exploring regional biryani cultures **Sprite- "Thand Rakh" (2025):** youth-focused humour around everyday heated situations, supported by regional/young celebrity faces **Sting × BGMI:** brand embedded as an in-game energy power-up, supported by co-branded packs and gaming activation;  	**Sprite – "Joke in a Bottle" (2024):** created a dedicated Odia-language execution featuring Sabyasachi Mishra and Biswa Kalyan Rath **Coca-Cola - "Locally Yours" (2025):** portraits and short films highlighting retailers  

Source: Secondary Research, The Knowledge Company Analysis

Hindustan Coca Cola Holdings' portfolio of beverages includes many leading brands like Thums Up, Coca-Cola, Sprite, Fanta and Maaza with strong performance across measures of spontaneous awareness, brand affinity and brand power in India compared to their respective nearest competitor.

Exhibit 3.8b: *Examples of Consumer Brand Metrices*

Brand Metrics	Units	Thums Up	Sprite	Fanta	Maaza	Coca-Cola
Spontaneous Awareness (vs nearest competitor) (As of June 30, 2026)	times	1.6	2.8	1.1	1.1	1.6
Brand Affinity T2B (vs nearest competitor) (As of June 30, 2026)	times	1.5	1.8	1.3	1.1	1.3
Brand Power (vs nearest competitor) (For Calendar Year 2025)	times	1.8	3.5	1.3	1.5	1.4

Source: Kantar, The Knowledge Company Analysis
** As per Kantar- Spontaneous Awareness: The % of category drinkers who mention a particular brand when asked to name up to 10 brands they are aware of in a specified category.*
Brand Affinity (T2B - Top 2 Box): The % of category drinkers who report "+3 I love it" or "+2" on a 7-point scale for the selected brand when asked "How do you feel about each brand?"
Brand Power: The % of summary measure of a brand's total MDF - (Meaningful Different Framework) (equity) performance.*

The evolution of marketing activity also reflects the widening range of NARTD consumption occasions. Mainstream CSD brands increasingly associate themselves with meals, refreshment and social occasions, while Energy Drinks participate in stimulation, gaming and active occasions, Advanced Hydration in sports and wellness-led occasions, and RTD Tea/Coffee in break and convenience occasions. This enables marketing to support not only competition between brands within a category, but also the frequency and range of occasions in which a packaged beverage enters consumer consideration.

Regional relevance forms another layer of this approach. India's differences in language, food habits and beverage preferences encourage brands to complement national campaigns with regional celebrities, local-language communication, familiar flavour cues and culturally relevant consumption occasions. Digital platforms and packaging further extend this engagement through gaming, QR codes, promotions and other interactive formats, while retail visibility and sampling help translate brand communication into product trial.

3.9. Key Growth Drivers and Emerging Trends in NARTD Market

- **Rising out-of-home consumption:** Growth in dining out, workplaces, travel, tourism, cinemas, events and other leisure activities is creating more beverage consumption occasions outside the home. As per NRAI, average eating-out frequency increased from 6.6 occasions per month in FY 2019 to 7.9 in FY 2024. These occasions favour chilled, portable and immediate-consumption formats and increase the relevance of channels such as restaurants, cafés, QSRs, hotels, airports, transit locations, cinemas and event venues.

- **Premiumization and mood/lifestyle-led functional positioning:** Premiumization in NARTD is increasingly being driven by differentiated propositions around provenance, functionality, lifestyle and mood. This is visible across premium waters such as Himalayan, Vedica and glacéau smartwater; performance hydration through Gatorade and Powerade; and emerging functional brands such as Idle, Young Monk and Mood Beverages offering propositions around focus, energy and relaxation. Gen Z is also emerging as an important cohort shaping beverage innovation, with greater experimentation across functional and lifestyle-led propositions linked to energy, wellness, gaming, music and social occasions. This is widening beverage choice beyond basic refreshment and creating scope for differentiated higher-value offerings.

- **Growing Consumer Base:** India's NARTD consumption is supported by a large and increasingly urban consumer base, with urban consumers typically showing higher beverage consumption intensity due to greater mobility, out-of-home consumption and access to organized retail and foodservice. This is reflected in monthly per capita expenditure on beverages, refreshments and processed food of ₹776.0 in urban India versus ₹406.0 in rural India for August 2023 to July 2024. Rural consumption is also rising with higher household expenditure and improving distribution; in Andhra Pradesh, the category accounted for 20.07% of rural and 25.72% of urban food expenditure, while in Tamil Nadu it accounted for 29.89% and 34.30%, respectively. The rural opportunity remains particularly relevant, with rural areas accounting for approximately 54.39% of the Key Select States population in FY 2026, offering headroom for NARTD penetration as increasing availability and accessibility of packaged beverages in rural markets support the

gradual adoption of consumption patterns more closely aligned with urbanised markets, which may benefit players like HCCH within the Key Select States.

- **Increasing visicooler penetration supporting chilled availability:** Chilled availability is an important enabler of NARTD consumption, particularly for immediate-consumption and impulse occasions. Expansion of visi-coolers across traditional grocery stores and smaller outlets enables beverage companies to improve cold availability, product visibility and assortment at the point of sale, especially where retailer-owned refrigeration remains limited. Continued investment by beverage companies and retailers is expected to further expand chilled availability across general trade, foodservice and other consumption-led channels, supporting NARTD category consumption.

- **Functional and wellness-led beverage boom:** Rising focus on nutrition and preventive wellness is shifting beverage demand beyond refreshment towards functional attributes such as protein, electrolytes, probiotics and lower sugar. This is reflected in launches such as Amul's high-protein RTD beverages, Horlicks Protein Milkshake, Avvatar Protein Cold Coffee, Tetley Kombucha Zero and functional hydration products such as Powerade, Gatorade and Evocus Hydration IV. The growing participation of large FMCG, dairy and specialist brands is supporting the expansion of functional NARTD sub-categories and premiumization.

- **Localization and ethnic flavours as a lever for brand differentiation:** India's diverse regional taste preferences are supporting the formalization of familiar flavours such as jeera, aam panna, shikanji, kokum and kala khatta into packaged NARTD formats. Maaza demonstrates the ability to scale a widely consumed mango flavour into a large packaged-beverage proposition, while brands such as Kinley Salty Lemon, Paper Boat, Lahori Zeera, Dhishoom and RimZim Jeera further illustrate the use of local flavours for differentiation. Localization enables brands to combine taste familiarity with packaged convenience and strengthen relevance across regional consumers.

- **Rising Temperatures and Frequent Heatwaves Supporting NARTD Consumption:** Increasing temperatures and more frequent heatwaves are extending hydration and refreshment needs across the day and over a longer part of the year. As per Council of Energy, Environment and Water (CEEW), nearly 70% of Indian districts experienced an additional five very warm nights per summer over the last decade, indicating rising heat stress. This is expected to support higher consumption frequency across Packaged Drinking Water, CSDs, Juices, Advance Hydration and other NARTD beverages.

- **Shift from seasonal to year-round, everyday RTD consumption:** The NARTD market is increasingly expanding beyond summer-led refreshment into need-states such as hydration, energy, indulgence, wellness and social consumption. This is reflected in expanding portfolios across the industry: Coca-Cola India spans hydration through Kinley and glacéau smartwater, energy and active consumption through Charged by Thums Up, Predator and Powerade, and social occasions through Schweppes and Kinley Soda, while products such as Tata Coffee Grand Cold Coffee, Tetley Kombucha, Tata Gluco+ Sports Drink, Nescafé RTD cold coffee and RasKik Gluco Energy address additional dayparts and consumer needs. This widening of consumption occasions is expected to reduce seasonality and support more frequent, year-round NARTD consumption.

- **Increasing Electrification and Refrigerator Penetration are Expanding Cold-Chain Consumption:** India's growing access to electricity and refrigerators is changing what consumers can buy, store and consume at home. Electricity coverage reached 99.9% in CY 2024, while refrigerator penetration stood at 68.1% nationally in FY 2024. This remains significantly below refrigerator penetration levels in countries such as China (96.0%) and Brazil (98.0%), highlighting substantial headroom for refrigerator adoption and chilled product consumption in India. On the commercial side, refrigerators and chillers are also allowing traditional grocery, modern trade stores, restaurants and other outlets to stock more products in chilled condition, improving their availability in smaller cities and rural markets. This is particularly important for NARTD, where consumers often prefer chilled carbonated drinks, packaged drinking water, juices, energy drinks, lassi and buttermilk, especially in India's warm climate. Increasing household refrigerator ownership and commercial chilling infrastructure can therefore expand consumption opportunities across smaller cities, rural households and traditional retail.

- **Emergence of D2C and digital-first brands:** E-commerce and quick commerce are lowering traditional distribution barriers for emerging beverage brands, enabling them to build consumer relevance before establishing large offline networks. Brands such as Sleepy Owl, Misfits, Atmosphere, Borécha and Jimmy's have used digital channels to scale propositions across cold coffee, prebiotic soda, kombucha and premium

mixers. These channels also support faster product testing, targeted trial and a more accessible path from niche innovation to broader omnichannel distribution.

- **Sustainable/eco packaging as a brand differentiator:** Packaging sustainability is increasingly becoming part of the beverage value proposition as plastic circularity requirements and consumer awareness rise. This is reflected in initiatives such as Kinley and select Coca-Cola packs using 100.00% rPET, Pepsi Black in 100.00% rPET bottles and Clear Premium Water's recycled-rPET range. As recycled-content adoption expands, differentiation is expected to increasingly focus on visible recycled content, material reduction, refillability and stronger collection and recycling propositions.

4. Overview of NARTD Categories in Key Select States (Maharashtra, Goa, Gujarat, Madhya Pradesh, Andhra Pradesh, Tamil Nadu, Telangana, Karnataka, Kerala and Odisha)

4.1. NARTD Market in Key Select States

Key Select States account for 45.41% of the national NARTD market in FY 2026, with their share of the total expected to rise gradually through FY 2031

The NARTD market across Key Select States (including Maharashtra, Goa, Gujarat, Madhya Pradesh, Andhra Pradesh, Tamil Nadu, Telangana, Karnataka, Kerala and Odisha) accounted for an estimated 45.41% of the All-India NARTD market in FY 2026. The NARTD market was valued at ₹637.3 Bn in FY 2026 and is expected to reach ₹1,183.2 Bn by FY 2031, growing at a slightly faster CAGR of 13.17% as compared to All-India from FY 2026 to FY 2031, with its share of the All-India market projected to increase to 46.25% by FY 2031. Growth across these states is supported by a combination of relatively higher consumption intensity in several southern and western markets, continued urbanization and expansion of organized and digital retail, alongside headroom for growth in rural areas as packaged beverages gain wider availability and penetration.

The competitive landscape across these markets comprises a mix of national and regional brands, with established brands such as Thums Up, Sprite, Fanta, Maaza, Coca-Cola, Pepsi, Kinley, Tata Gluco, Bindu Jeera, Bovonto and others competing across different NARTD categories. The presence and relative position of individual brands vary across categories and markets, reflecting differences in regional consumption preferences, beverage formats and consumer familiarity. HCCH's portfolio includes several leading soft drinks and packaged drinking water brands in Key Select States.

Based on NIQ RMS data for the Soft Drinks and Packaged Drinking Water* category for the 12-month period ending June 30, 2026 for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). Information reported to Coca-Cola India in the Soft Drinks and Packaged Drinking Water Category* in Client defined states** for the 12-month period ending June 30, 2026 shows that Coca-Cola India held a 37.2% value market share (more than 3 times competition) and led the Sparkling, Still – Mango Drinks + Still – Other Fruit Drinks, and Packaged Drinking Water Categories by value market share for the 12-month period ending June 30, 2026.

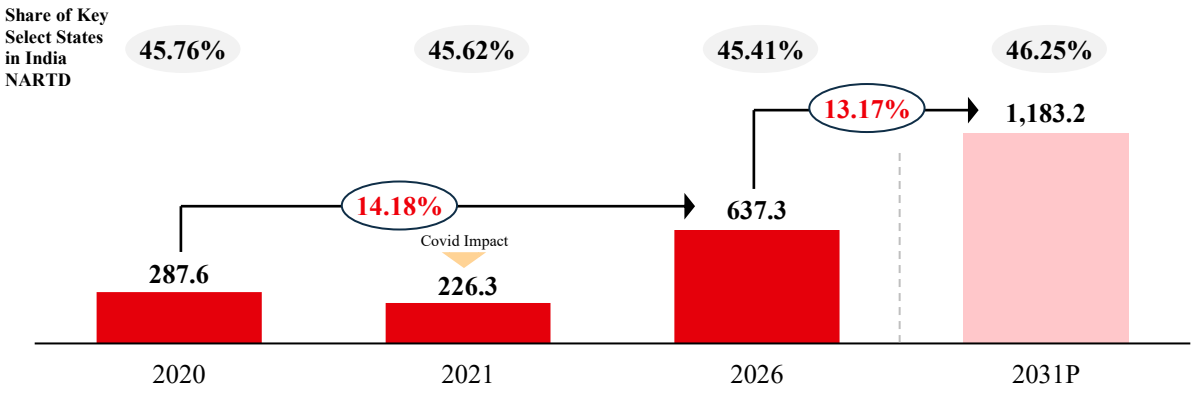
Based on NIQ RMS data for the Soft Drinks and Packaged Drinking Water category* for the 12-month period ending June 30, 2026 for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). Information reported to Coca-Cola India in the Soft Drinks and Packaged Drinking Water Category* in Client defined states** for the 12-month period ending June 30, 2026 shows that the Coca-Cola India brands in aggregate are the highest in sales value amongst the 12 brands with highest sales value in the Soft Drinks and Packaged Drinking Water Category for that period. *Coca-Cola India featured brands are: Thums Up, Sprite, Maaza, Kinley, Fanta, Limca, Coke, Minute Maid

Based on NIQ RMS data for the Soft Drinks and Packaged Drinking Water Category*, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Soft Drinks and Packaged Drinking Water Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Brand 'Thums Up' of Coca-Cola India is the highest in sales value in the Soft Drinks and Packaged Drinking Water Category* for that period.

**Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks*; *total packaged drinking water including bulk & pouch*

***Client defined states (Urban (U) + Rural (R))- Andhra Pradesh (U+R), Telangana (U+R), Karnataka (U+R), Kerala (U+R), Tamil Nadu (U+R), Gujarat (U+R), Maharashtra (U+R) + Goa (U+R), Madhya Pradesh (U+R) and Odisha (U+R).*

Exhibit 4.1a: *NARTD Market Size in Key Select States (₹Bn) (FY)*



Source: Primary Research, The Knowledge Company Analysis
Key Select States include South Zone (Andhra Pradesh, Telangana, Kerala, Karnataka, Tamil Nadu), West Zone (Maharashtra, Goa, Gujarat, Madhya Pradesh) and Odisha
The market size is basis retail sales and is same for all market sizing throughout the chapter

4.2. State-wise NARTD Market in Key Select States

The Key Select States market is differentiated by a combination of established NARTD consumption bases and relatively faster-growing markets compared with the broader India market. Maharashtra, Gujarat and Tamil Nadu represent relatively mature markets with established consumer bases and diversified beverage consumption, while Karnataka, Madhya Pradesh, Kerala and Odisha are exhibiting relatively faster growth and are contributing to the expansion of NARTD consumption across the Key Select States. Overall, the market reflects a combination of scale-led established markets and emerging growth markets, with category and consumer dynamics varying across states.

Consumer preferences, regional beverage traditions and climatic conditions also contribute to differences across states. Warmer weather across several southern and western states supports a relatively year-round consumption window for chilled and refreshment-led beverages, with consumption remaining relatively consistent through most of the year, except for periods of heavier monsoon rainfall that can temporarily affect outdoor mobility and consumption occasions. Regional taste preferences further shape category consumption, with Gujarat and Tamil Nadu having established preferences for regional carbonated beverage formats and Maharashtra having established consumption across fruit-based beverages alongside mainstream carbonated beverages. The southern markets also benefit from established beverage consumption occasions. Overall, these factors, together with differences in urbanization, retail development and rural penetration, contribute to variations in beverage consumption and category growth across the Key Select States.

Exhibit 4.2a: *Key Select States NARTD Market Size Split (₹Bn) (FY)*

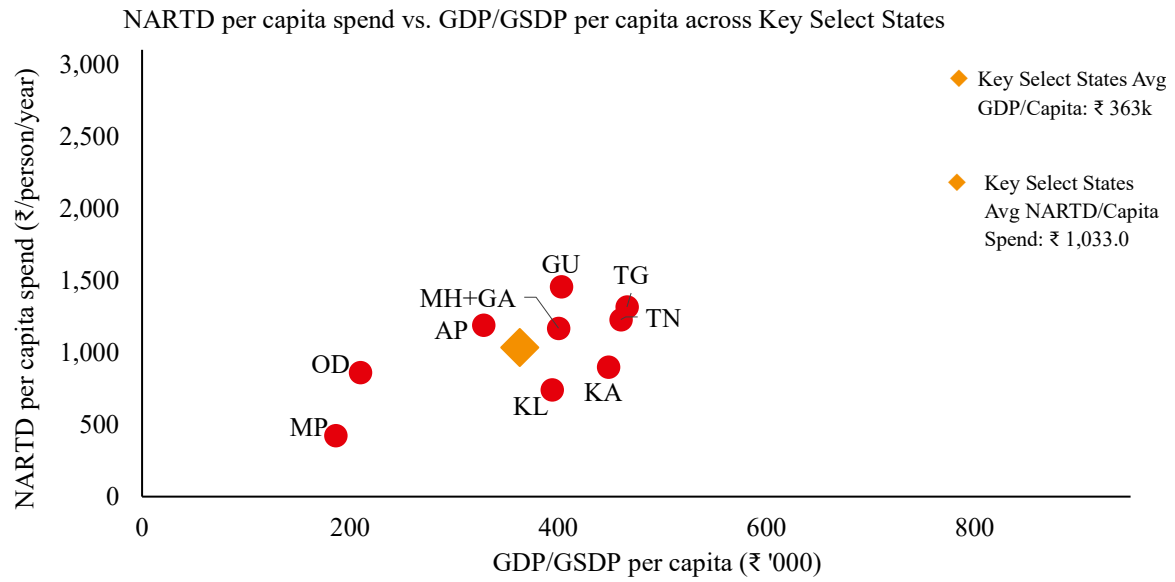
States	FY 2020	FY 2021*	FY 2026	FY 2031P	CAGR 20-26	CAGR 26-31P
Maharashtra	67.0	51.7	149.1	271.1	14.25%	12.71%
Gujarat	49.6	41.1	107.9	204.1	13.83%	13.60%
Tamil Nadu	46.1	36.2	95.1	165.0	12.81%	11.65%
Andhra Pradesh	32.0	25.4	63.8	116.7	12.18%	12.85%
Karnataka	23.7	18.2	61.7	125.0	17.27%	15.15%
Telangana	23.2	18.0	50.6	89.9	13.86%	12.18%
Odisha	18.3	14.3	40.6	76.0	14.18%	13.36%
Madhya Pradesh	15.2	12.0	38.0	76.7	16.48%	15.10%
Kerala	10.7	8.0	26.7	51.6	16.48%	14.09%
Goa	1.8	1.4	3.9	7.1	14.23%	12.85%
Key Select States NARTD Market	**287.6**	**226.3**	**637.3**	**1,183.2**	**14.18%**	**13.17%**

Source: Primary Research, The Knowledge Company Analysis
**FY 2021 Covid Impact*

4.3. Comparison of NARTD Spend and GDP/GSDP Per Capita Across Key Select States

The higher NARTD spend intensity is broadly aligned with relatively higher income levels, urbanization and penetration of organized retail and foodservice channels across several of these states, which support greater consumption of packaged beverages. Furthermore, the average median age of the mentioned states remained at 32.9 years for FY 2026. Among the Key Select States, Gujarat, Telangana and Tamil Nadu recorded the highest per capita NARTD spend in FY 2026 at ₹1,455.9, ₹1,309.6 and ₹1,226.0 respectively, compared with the selected-states average of ₹1,033.0.

Exhibit 4.3a: *NARTD per capita vs. GDP/GSDP per capita across Key Select States (FY 2026)*



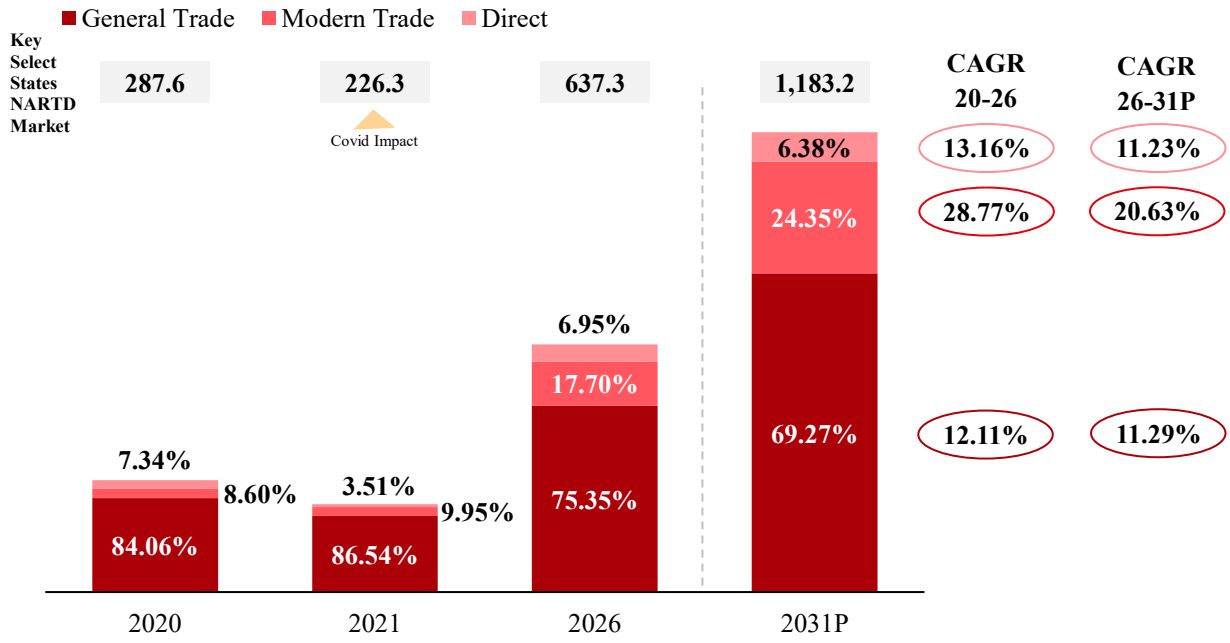
Source: Primary and Secondary Research, The Knowledge Company Analysis
Key Select States include South Zone (Andhra Pradesh-AP, Telangana-TG, Kerala-KL, Karnataka-KA, Tamil Nadu-TN), West Zone (Maharashtra-MH, Goa GA, Gujarat-GU, Madhya Pradesh-MP) and Odisha -OD

4.4. Sales Channel Split of NARTD Market in Key Select States

The NARTD channel mix across Key Select States is shifting towards organized and digital channels, with General Trade accounting for an estimated 75.35% of the market in FY 2026, and projected to reach to 69.27% by FY 2031, while Modern Trade is projected to increase from 17.70% to 24.35% for the same period. This shift is supported by continued expansion across both brick-and-mortar modern trade and e-commerce, with modern trade brick-and-mortar expected to grow at a CAGR of 17.10% and e-commerce, including quick commerce, at 25.14% between FY 2026 and FY 2031. The share of quick commerce has rapidly increased from ~0.11% in FY 2020 to 3.35% in FY 2026 growing at a CAGR of 102.39% from FY 2020 to FY 2026 and this is further expected to increase to 9.50% growing at a CAGR of 39.41% from FY 2026 to FY 2031. Additionally, the presence of large urban centres such as Mumbai, Bengaluru, Chennai and Hyderabad, alongside increasing organized retail penetration and digital adoption across these markets, is supporting the expansion of quick commerce and the overall modern trade channel. Compared with the All-India market, all channels are expected to grow at a faster CAGR in FY 2026 to FY 2031 in Key Select States.

Overall, the Key Select States NARTD market is expected to grow at a CAGR of 13.17%, slightly above the 12.76% CAGR expected for the All-India market, supported by continued expansion of retail distribution network, higher organized retail penetration in major consumption centres and improving chilled availability across these markets.

Exhibit 4.4a: *Sales Channel Split of Key Select States NARTD Market (%) (FY)*



Split of Modern Trade	FY 2020	FY 2021*	FY 2026	FY 2031P	CAGR 2020-26	CAGR 2026-31P
Modern Trade B&M	6.40%	6.50%	10.50%	12.45%	24.00%	17.10%
E-commerce	2.20%	3.45%	7.20%	11.90%	39.12%	25.14%
Total Modern Trade	**8.60%**	**9.95%**	**17.70%**	**24.35%**	**28.77%**	**20.63%**

Source: Primary Research, The Knowledge Company Analysis
Modern trade includes (modern trade brick & mortar and E-commerce including quick commerce)

4.5. NARTD Market Price Split- Key Select States

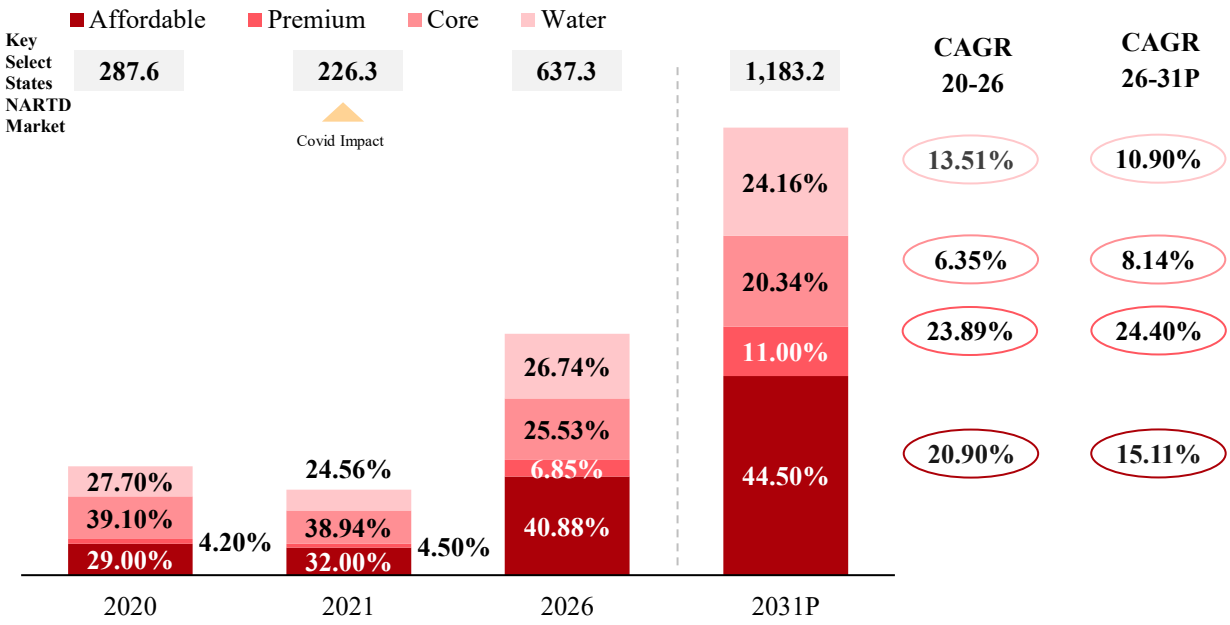
Affordable propositions anchor category participation, Core supports progression into larger shared-consumption formats, while Premium is gaining share from a smaller base through differentiated, higher-value propositions.

The price architecture of the NARTD market across the Key Select States differs from all-India market, with a greater concentration in affordable propositions. The Affordable sub-category plays a relatively stronger role across the Key Select States, reflecting a stronger preference for on-the-go and immediate-consumption formats, supported by accessible price points and smaller pack sizes. The Affordable NARTD sub-category in Key Select States is expected to grow from approximately ₹260.5 Bn in FY 2026 to ₹526.5 Bn in FY 2031, representing a CAGR of 15.11%.

The Core sub-category provides the next step in the consumption ladder, particularly through larger CSD and juice packs suited to in-home and shared consumption. It therefore complements affordability-led recruitment by enabling consumers to increase pack size and spend per purchase while remaining within mainstream propositions.

The Premium sub-category currently represents a smaller share than at the all-India level but is expected to grow faster from this lower base. The Premium NARTD sub-category in the Key Select States is expected to grow from approximately ₹43.7 Bn in FY 2026 to ₹130.2 Bn in FY 2031, representing a CAGR of 24.40%. Increasing adoption of categories like Energy Drinks, Advanced Hydration, RTD Tea/Coffee and Value-Added Dairy, alongside stronger functional and differentiated propositions, is expected to progressively support this growth.

Exhibit 4.5a: *NARTD Market Price Split (%) (FY)*



Source: Primary Research, The Knowledge Company Analysis

- *Affordable: Products priced at ≤₹20/unit across NARTD categories excluding Packaged Drinking Water;*
- *Core: Products priced at >₹20/unit within CSD (includes RTD Mixers) and Juices (excluding cans priced >₹20/unit)*
- *Premium: Products priced at >₹20/unit within Advanced Hydration, Energy Drinks, RTD Tea/Coffee and Value-Added Dairy (including cans of CSD and Juices priced above >₹20/unit)*
- *Water: Packaged Drinking Water, including Sparkling Water, irrespective of price point.*

4.6. NARTD Category-wise Market in Key Select States

The category mix across Key Select States is led by Sparkling, which is expected to grow at a CAGR of 14.00% from FY 2026 to FY 2031. Within Sparkling, CSD is expected to grow at a CAGR of 11.71%, while Energy Drinks are expected to grow faster at 26.37% from FY 2026 to FY 2031. Followed by Sparkling is Hydration growing at a CAGR of 13.61% from FY 2026 to FY 2031 which also represents a significant consumption pool including Packaged Drinking Water (CAGR 10.93%) and Advanced Hydration (CAGR 30.75%), further followed by Juices growing at a CAGR of 8.62% for the same period. The relatively strong presence of Sparkling and Hydration is consistent with established refreshment and hydration occasions across the Key Select States, while faster growth in Energy Drinks and Advanced Hydration reflects increasing adoption of activity-led, functional and specialised beverage propositions. The others category (including VAD and RTD Tea/Coffee) is expected to grow at a CAGR of 15.19% from FY 2026 to FY 2031. Across the Key Select States, NARTD categories comprise

multiple sub-categories and flavour profiles, with CSD spanning cola, lime and orange variants, while Juices comprise mango and non-mango sub-categories, alongside Packaged Drinking Water and other beverage categories. This diversity in consumer preferences is reflected in the competitive positioning across sub-categories.

Each category is catered by both national and regional players and among the key players within this category landscape, HCCH has presence across NARTD categories through its portfolio of Coca-Cola brands operating within Key Select States which includes five (Mumbai, Bangalore, Pune, Hyderabad, and Chennai) of the eight largest metropolitan cities in India (Delhi, Mumbai, Bangalore, Pune, Hyderabad, Ahmedabad, Chennai and Surat). Based on NIQ RMS data for the Soft Drinks and Packaged Drinking Water category* for the 12-month period ending June 30, 2026 for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). Information reported to Coca-Cola India in the Soft Drinks and Packaged Drinking Water Category* in Client defined states** for the 12-month period ending June 30, 2026 shows that Coca-Cola India had the highest sales value and a value market share of 37.2% within the overall Soft Drinks and Packaged Drinking Water Category*, it also had a value market share of 60.1% and 42.6% in the Sparkling and Still - Mango Drinks Segment + Still - Other Fruit Drinks Segment respectively for the 12-month period ending June 30, 2026, and for other categories like Energy & Packaged Drinking Water, it held a value market share of 12.9% & 9.7% respectively for the 12-month period ending June 30, 2026.

Exhibit 4.6a: *Category-wise NARTD Market Size in Key Select States (₹Bn) (FY)*

Category	FY 2020	FY 2021*	FY 2026	FY 2031	CAGR 20-26	CAGR 26-31P
Sparkling	**118.0**	**91.8**	**263.4**	**507.3**	**14.32%**	**14.00%**
CSD	111.4	86.1	230.4	400.8	12.88%	11.71%
Energy Drinks	6.6	5.7	33.0	106.5	30.74%	26.37%
Hydration	**80.9**	**56.8**	**189.0**	**357.7**	**15.19%**	**13.61%**
Packaged Drinking Water	79.7	55.6	170.2	285.9	13.49%	10.93%
Advanced Hydration	1.3	1.2	18.8	71.8	56.98%	30.75%
Juices	**55.9**	**47.5**	**109.6**	**165.8**	**11.87%**	**8.62%**
Others	**32.8**	**30.3**	**75.2**	**152.5**	**14.83%**	**15.19%**
Dairy Beverages (VAD)	31.4	28.8	70.3	139.8	14.40%	14.73%
RTD Tea/Coffee	1.4	1.4	4.8	12.7	22.79%	21.19%
Key Select States NARTD Market	**287.6**	**226.3**	**637.3**	**1183.2**	**14.18%**	**13.17%**

Source: The Knowledge Company Analysis
Key Select States include South Zone (Andhra Pradesh, Telangana, Kerala, Karnataka, Tamil Nadu), West Zone (Maharashtra, Goa, Gujarat, Madhya Pradesh) and Odisha
**FY 2021 Covid Impact*

**Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks; total packaged drinking water including bulk & pouch*

***Client defined states (Urban (U) + Rural (R))- Andhra Pradesh (U+R), Telangana (U+R), Karnataka (U+R), Kerala (U+R), Tamil Nadu (U+R), Gujarat (U+R), Maharashtra (U+R) + Goa (U+R), Madhya Pradesh (U+R) and Odisha (U+R).*

4.7. NARTD Category Landscape within Key Select States

Sparkling

- **CSD:** CSD consumption across the Key Select States is supported by established refreshment and out-of-home consumption occasions, with national brands such as Coca-Cola, Thums Up, Sprite, Fanta and Limca competing alongside regional propositions such as Bovonto in Tamil Nadu and Sosyo in Gujarat. Regional taste preferences, including traditional Indian flavour profiles, continue to influence consumption alongside mainstream cola and lemon-lime propositions. Based on NIQ RMS data for the Sparkling Segment of the Soft Drinks Category, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The

information reported to Coca-Cola India in the Sparkling Segment of the Soft Drinks Category in Client defined states** for the 12-month period ending June 30, 2026 shows Coca-Cola India brands aggregated has the highest sales value, in the Sparkling Segment of the Soft Drinks Category for that period. Additionally, based on NIQ RMS data for the Sparkling Segment of the Soft Drinks Category, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Sparkling Segment of the Soft Drinks Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Brand 'Thums Up' of Coca-Cola India is the highest in sales value in the Sparkling Segment of the Soft Drinks Category for that period. The category is also seeing greater relevance of affordable smaller packs and on-the-go formats, while zero-sugar and differentiated variants are expanding consumer choice within established CSD occasions.

- **Energy Drinks:** Energy Drinks are gaining relevance across the Key Select States alongside a growing urban consumer base and consumption occasions linked to fitness, gaming, entertainment, nightlife and longer working or commuting patterns. Accessible pack formats are supporting broader adoption, while premium energy drink propositions are gaining relevance in organized out-of-home channels and among consumers seeking differentiated products. The category therefore combines broader accessibility with increasing premium consumption occasions

Hydration

- **Packaged Drinking Water:** Packaged Drinking Water consumption across the Key Select States is closely linked to everyday hydration and out-of-home occasions such as commuting, travel, tourism and dining. Affordable formats continue to support broad-based consumption, while premium propositions have greater relevance among consumers in organized hospitality, premium dining and other higher-end out-of-home occasions. The category therefore spans both mass-market immediate-consumption needs and premium consumption occasions. Based on NIQ RMS data for the Packaged Drinking Water Category^, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Packaged Drinking Water Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Brand 'Kinley' of Coca-Cola India is the highest in sales value in the Packaged Drinking Water Category^ for that period.
- **Advanced Hydration:** Advanced Hydration is emerging across the Key Select States as consumers become more aware of specialised hydration and functional wellness needs. Sports drinks, electrolyte beverages, RTD ORS and functional water propositions are particularly relevant among urban, fitness-oriented and health-conscious consumers. The category remains relatively specialised, with premium positioning and product differentiation playing an important role in consumer adoption, while broader awareness could expand its addressable consumer base.

Juices:

- The Key Select States have a diverse packaged fruit beverage landscape, with brands such as Maaza, Minute Maid, B Natural, Real, Frooti, Slice, Tropicana and Paper Boat competing across different fruit-based propositions and consumption occasions. Regional preferences, particularly for mango-based beverages, remain relevant, while consumers are also showing greater interest in differentiated propositions centred on fruit content, naturalness and perceived freshness. Newer regional propositions such as Storia also contribute to the evolving competitive landscape, particularly across fruit-based and coconut water offerings.
- Based on NIQ RMS data for the Soft Drinks and Packaged Drinking Water Category* for the 12-month period ending June 30, 2026 for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). Information reported to the Coca-Cola India in the Soft Drinks and Packaged Drinking Water Category* in Client defined states** for the 12-month period ending June 30, 2026 shows that Coca-Cola India held 42.6% value market share in the Still - Mango Drinks + Still - Other Fruit Drinks^^ Segment for the 12-month period ending June 30, 2026 and had a value market share of 51.7% in Still - Mango Drinks Segment and 29.0% in Still - Other Fruit Drinks Segment^^ for the 12-month period ending June 30, 2026, with its brand 'Maaza' featuring amongst the 3 brands with the highest sales value in the Soft Drinks and Packaged Drinking Water* for the 12-month period ending June 30, 2026
- Based on NIQ RMS data for the Still Segment of the Soft Drinks Category, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Still Segment of the Soft Drinks Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Coca-Cola

India brands aggregated has the highest sales value in the Still Segment of the Soft Drinks Category for that period.

- Based on NIQ RMS data for the Still Segment of the Soft Drinks Category, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Still Segment of the Soft Drinks Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Brand 'Maaza' of Coca-Cola India is the highest in sales value in the Still Segment of the Soft Drinks Category for that period.
- Based on NIQ RMS data for the Still - Mango Drinks Segment of the Soft Drinks Category, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Still - Mango Drinks Segment of the Soft Drinks Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Brand 'Maaza' of Coca-Cola India is the highest in sales value in the Still - Mango Drinks Segment of the Soft Drinks Category for that period.
- Based on NIQ RMS data for the Still - Other Fruit Drinks^^ Segment of the Soft Drinks Category, for the 12-month period ending June 30, 2026, for the Client defined states** total retail market (Copyright © 2026, NielsenIQ Consumer LLC). The information reported to Coca-Cola India in the Still - Other Fruit Drinks^^ Segment of the Soft Drinks Category in Client defined states** for the 12-month period ending June 30, 2026 shows that Brand 'Minute Maid' of Coca-Cola India is the highest in sales value in the Still - Other Fruit Drinks^^ Segment of the Soft Drinks Category for that period

Others

- **VAD:** VAD has a relevant regional competitive landscape given the presence of state and regional dairy cooperative brands across the Key Select States, including Amul in Gujarat, Nandini in Karnataka, Aavin in Tamil Nadu, Vijaya in Andhra Pradesh and Milma in Kerala, alongside national and private players such as Britannia. Consumer demand is increasingly extending towards convenient flavoured milk, lassi and buttermilk formats, with protein, nutrition and functional positioning providing additional consumption occasions, particularly among urban consumers.
- **RTD Tea/Coffee:** RTD Tea/Coffee remains a relatively nascent category, with the South providing relevant consumption contexts given its established tea and coffee culture. Urban consumers seeking convenience, portability and differentiated beverage experiences provide emerging consumption occasions, while premium coffee propositions and newer functional beverages are supporting category development. The category is therefore increasingly relevant to younger urban consumers, although its overall consumption base remains smaller than that of established NARTD categories.

NARTD outlet and household penetration in Key Select States

The retail universe across Key Select States continues to expand, providing a broad base for further NARTD distribution and availability. Based on NIQ RMS data, there were 47,10,067 FMCG outlets, comprising of 32,80,695 Soft Drinks and Packaged Drinking Water Category* and Coca-Cola Soft Drinks and Packaged Drinking Water category 20,12,660 outlets in Client defined states** for the 1-month period ending June 30, 2026. Apart from these, there were 23,02,379 Noodles outlets, 33,22,262 Snacks outlets, and 37,42,358 Biscuits outlets in Client defined states** for the 1-month period ending June 2026.

Based on NIQ RMS data, there were 46,07,165 FMCG outlets, comprising of 30,58,938 Soft Drinks and Packaged Drinking Water Category* and Coca-Cola Soft Drinks and Packaged Drinking Water category 18,67,363 outlets in Client defined states** for the 1-month period ending June 30, 2024. Apart from these, there were 22,31,374 Noodles outlets, 33,01,341 Snacks outlets, and 36,83,867 Biscuits outlets in Client defined states** for the 1-month period ending June 2024.

By #June'31 the number of FMCG outlets in Key Select States is projected to reach 49,10,000, while outlets in the soft drinks and packaged drinking water category and Coca-Cola soft drinks and packaged drinking water category are expected to reach 36,20,000 and 24,00,000. During the same period, noodles outlets, snacks outlets and biscuits outlets are projected to reach 25,50,000, 35,70,000 and 39,80,000, respectively in Key Select States.

Soft drinks and packaged drinking water category outlets serving Coca-Cola System Brands in HCCH Territories grew at a CAGR of 4.11% from 1.6 million as of June 30, 2024 to 1.7 million as of June 30, 2026.

As per Worldpanel by Numerator*, NARTD household penetration was 42.5% as of the last 12 months ended June 30, 2024 and increased to 45.0% as of the last 12 months ended June 30, 2026 in ^Key Select States
As per Worldpanel by Numerator*, Noodles household penetration was 70.5% as of the last 12 months ended June 30, 2024 and increased to 81.5% as of the last 12 months ended June 30, 2026 in ^Key Select States
As per Worldpanel by Numerator*, Snacks household penetration was 84.6% as of the last 12 months ended June 30, 2024 and increased to 88.4% as of the last 12 months ended June 30, 2026 in ^Key Select States
As per Worldpanel by Numerator*, Biscuits household penetration was 99.4% as of the last 12 months ended June 30, 2024 and increased to 99.7% as of the last 12 months ended June 30, 2026 in ^Key Select States

By #June'31, NARTD penetration is projected to reach 49.2%, compared with 90.4% for noodles, 92.7% for snacks and 99.8% for biscuits. HCCH's territories include some of India's key consumer and beverage markets, and benefit from favourable demographics, urbanization, and income characteristics, creating opportunities for increased packaged beverage consumption. The Key Select States are home to a population of 616.9 Mn, with a median age of 32.9 years for FY 2026, and include five of India's eight largest metropolitan cities - Mumbai, Bengaluru, Hyderabad, Chennai and Pune with Nominal GDP per capita in these states being 1.5 times the all-India average. These favourable characteristics, together with growing per capita consumption of packaged beverages and headroom for further growth relative to markets such as Vietnam and China, present opportunities to expand packaged beverage consumption by attracting new consumers and shifting consumption from unpackaged formats, including home-prepared and traditional beverages, towards packaged formats. Further penetration is expected to be supported by increased chilled availability through visicoolers, improving electricity access, including rural electrification, and broader access to NARTD beverages through lower-price point offerings.

^Packaged drinking water including bulk and pouch.

^^Still/s other fruit drink- Still drinks containing less than 20% fruit concentrate across all fruit flavors other than mango
**Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks*; *total packaged drinking water including bulk & pouch **Client defined states (Urban (U) + Rural (R))- Andhra Pradesh (U+R), Telangana (U+R), Karnataka (U+R), Kerala (U+R), Tamil Nadu (U+R), Gujarat (U+R), Maharashtra (U+R) + Goa (U+R), Madhya Pradesh (U+R) and Odisha (U+R).*

*Note:*From Worldpanel by Numerator Household Panel Study for the period July'2023 to June'2026 of impulse category coverage in All India - Urban+Rural. (^Key Select States taken collectively - Andhra Pradesh, Telangana, Karnataka, Kerala, Tamil Nadu, Gujarat, Maharashtra, Madhya Pradesh and Odisha)*
(#Jun'31 projections are basis The Knowledge Company Analysis)

5. COMPETITIVE LANDSCAPE OF THE NARTD INDUSTRY

5.1 Profile of Key Players in the Indian NARTD Market

The Indian NARTD competitive landscape comprises a mix of beverage focused players and diversified scaled FCMG players. Beverage-focused players such as HCCH, VBL drive their revenue from non-alcoholic beverages and maintain dedicated manufacturing, distribution and cold-chain capabilities. In contrast, diversified scaled FMCG players including RCPL, TCPL, Nestle etc. participate across select beverage categories alongside larger food and household product portfolios. The diversified FMCG companies may also benefit from broader multi-category distribution networks, and certain emerging participants are adding competitive pressure through faster expansion, acquisitions and partnerships

HCCH was the largest NARTD beverage company by revenue operating exclusively in India for FY 2026. HCCH competes with other global, national, regional, and local beverage market participants, including diversified FMCG companies, category-focused players and brands pursuing affordability-led propositions. Coca-Cola India brands collectively held a 37.2% value market share (more than 3 times the nearest competitor) and led the Sparkling – carbonated soft drinks (CSD), Stills, and Hydration - Packaged drinking water^ categories by value market share in Key Select States for the 12-month period ending June 30, 2026. Additionally, Coca-Cola India brands collectively held the highest value market share of 37.2% within the overall soft drinks and packaged drinking water category*, Coca-Cola India brands collectively also held a value market share of 60.1% in Sparkling – carbonated soft drinks (CSD) and 42.6% in the Stills- Mango and other fruit drinks^^ segment in Key Select States for the 12-month period ending June 30, 2026, and for other categories like Sparkling - Energy & Hydration - Packaged drinking water^, Coca-Cola India brands collectively held a value market share of 12.9% & 9.7% respectively in Key Select States for the 12-month period ending June 30, 2026. Competitive positioning within the NARTD industry is influenced by factors such as brand strength and consumer recognition, category breadth, product availability, distribution reach, cold availability, pricing and affordability, manufacturing and supply chain scale, channel execution capabilities and responsiveness to evolving consumer preferences.

Competitive positioning across categories:

Soft drinks and packaged drinking water:

Thums Up was the largest brand by sales value in the soft drinks and packaged drinking water category* in Key Select States for the 12-month period ending June 30, 2026.

Sparkling:

Coca-Cola India brands collectively had the highest sales value in the Sparkling – carbonated soft drinks (CSD) segment in Key Select States for the 12-month period ending June 30, 2026.

Thums Up was the largest brand by sales value in the Sparkling – carbonated soft drinks (CSD) segment in Key Select States for the 12-month period ending June 30, 2026.

Stills:

Coca-Cola India brands collectively held 42.6% value market share in the Stills - Mango and other fruit drinks^^ segment in Key Select States for the 12-month period ending June 30, 2026 and had a value market share of 51.7% in Stills - Mango drinks segment and 29.0% in Stills - other fruit drinks^^ segment in Key Select States for the 12-month period ending June 30, 2026, with the brand ‘Maaza’ being one of the top 3 brands in terms of sales value in the soft drinks and packaged drinking water* in Key Select States for the 12-month period ending June 30, 2026.

Coca-Cola India brands collectively had the highest sales value in the Stills in Key Select States for the 12-month period ending June 30, 2026.

Maaza is the largest brand by sales value in the Stills and in Stills - Mango drinks segment in Key Select States for the 12-month period ending June 30, 2026.

Minute Maid was the largest brand by sales value in the Stills - other fruit drinks^^ segment in Key Select States for the 12-month period ending June 30, 2026.

Packaged drinking water:

Kinley was the largest brand by sales value in the Hydration - Packaged drinking water category^ in Key Select States for the 12-month period ending June 30, 2026

HCCH prepares, packages, distributes and sells a diverse portfolio of NARTD beverages (under brands owned or licensed by The Coca-Cola Company ("TCCC"), its affiliates or owned by Monster Beverage Corporation ("Monster") across exclusive territories covering 10 states in Southern, Western and Eastern India. 8 of Coca-Cola India brands (Thums Up, Sprite, Maaza, Kinley, Fanta, Limca, Coke, Minute Maid) were featured in the top 12 soft drinks and packaged drinking water category* brands in Key Select States based on market share by sales value for the 12-month period ending June 30, 2026.

Other leading players like VBL operate across a wider geographic coverage with a large manufacturing and distribution network, while RCPL is an emerging player using acquisitions, partnerships and the wider Reliance ecosystem to scale rapidly across beverage categories. Overall, the competitive landscape highlights a clear divide between beverage specialists with deep category expertise & infrastructure and large scaled players leveraging broader distribution and brand portfolios, while emerging players are adding competitive pressure through faster expansion, acquisitions and partnerships.

**Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks*; *total packaged drinking water including bulk & pouch*

^ Total packaged drinking water including bulk and pouch

^^Still/s other fruit drink - still drinks containing less than 20% fruit concentrate across all fruit flavours other than mango

Note: Highest/Largest in the competitive positioning refers to number 1 position in the respective category and segment

Exhibit 5.1a: *Profile of Key Indian NARTD Companies (FY 2026)*

Key Players	Select NARTD Brands	Category Presence	India Contribution to Rev.#	Beverages Contribution to Rev.^	MNC Participation
	Beverage Focussed Players				
Hindustan Coca-Cola Holdings Ltd. (HCCH)	Coca-Cola, Thums Up, Sprite, Fanta, Limca, Rim Zim, Maaza, Minute Maid, Monster, Kinley, Predator, Thums Up Charged, Powerade, Limca GlucoCharge, glacéau smartwater, Schweppes	NARTD Only	100.00%	100.00%	As of Jul-2025, TCCC held a 60.00% stake in HCCH
Varun Beverages Ltd. (VBL)*	Pepsi, Pepsi Black, Mountain Dew, Mirinda, 7UP, Sting, Slice, Tropicana, 7UP, Nimbooz, Gatorade, Aquafina, Lipton, Cream bell, Evervess, Dukes	NARTD, Packaged Food (Chips)	67.00%	NA	PepsiCo has a long-term bottling franchise relationship with VBL which is public listed Indian firm
Bisleri International Private Limited (BIPL)	Bisleri, Vedica, Limonata, Pop	NARTD	NA	100.00%	NA
Parle Agro Private Limited (PAVL)	Appy, Appy Fizz, B Fizz, Bailey, Dhishoom, Frio, Frooti, Bombay 99, Smoodh	NARTD	NA	NA	NA
	FMCG Players				
Reliance Consumer Products Ltd. (RCPL)	Campa, Nexba, The Good Brekkie, Bison, Pace, Shunya, Raskik, Sosyo, Spinner, Independence	NARTD + Packaged Staples + Home & Personal Care + Packaged Food (Bakery, Confectionary etc.)	NA	NA	NA
TATA Consumer Products Ltd. (TCPL)	Tata Copper+, Tata Gluco+, Tata Fruski, Say Never, Tetley Kombucha, Himalayan, Tata Lyfe	NARTD + Packaged Staples + Packaged Food (Breakfast & Snack, Sauces) + Packaged Bev (Tea, Coffee)	71.54%	NA	Starbucks participates through a 50:50 JV with Tata Consumer Products for their Café brand
Nestle India Ltd. (NIL)	Nescafe	NARTD + Packaged Bev + Packaged Foods (Noodles, Sauces, Masala) + Confectionery + Milk Product & Nutrition	95.87%	NA	Publicly listed subsidiary of Nestlé S.A.; promoter group held 62.76% stake (Jun-2026)
Britannia Industries Limited (BIL)	Britannia Come Alive, Winkin Cow	NARTD + Packaged Food (Dairy, Biscuits Bakery, Snacking)	94.13%	NA	NA

Source: Annual Report & Investor Presentation for FY 2026
**Indicates details for CY 2025*
#Indicates India contribution to total consolidated revenue from products sale
^Indicates beverage contribution to revenue from product sale
*** All company details presented above for the scaled FMCG players are at the overall company level and are not specific to their beverage businesses*
****NA refers to Not Available*

HCCH and VBL are the two key beverages players within the peer set, with both operating dedicated beverage manufacturing, distribution and execution networks. HCCH is one of the leading beverages players in India, with distribution reach ~1.7 Mn. retail outlets. There is an estimated distribution headroom of approximately 1.3 million additional outlets as of June 30, 2026 carrying soft drinks and packaged drinking water category * in Key Select States that were not serving Coca-Cola system brands

Cold-chain and outlet infrastructure perspective: HCCH operated approximately 0.6 Mn. visi-coolers, translating to cooler penetration of approximately 33.3% of its outlets as of June 30, 2026, while VBL's visi-cooler penetration translated to 28.75% of its retail outlet base with ~1.2 Mn+ visi-coolers for FY 2026. HCCH direct reach, distributor depth, outlet-level execution and chilled availability are important route-to-market parameters in the NARTD industry, supporting demand generation and repeat purchases across beverage categories.

Manufacturing and logistics infrastructure: HCCH operates 14 production facilities across 10 states (including UT), supplemented by eight third-party co-pack units, and had higher number of production facilities compared to VBL within HCCH's operating territory. VBL operates 38 beverage plants across India owing to its wider operating geography. HCCH has a distribution and warehousing network of 23 warehouses / depots and its distribution routes and long-standing retailer-distributor relationships extend across both urban and rural markets, supporting broad geographic coverage and market reach.

In contrast, scaled FMCG players such as RCPL, TCPL etc. report broader company level retail networks support multiple food, beverage and household categories and therefore differ from the beverage-focused route-to-market models. Overall, beverage-focused players are characterised by dedicated bottling, cold-chain, RGB handling and outlet-execution capabilities, while scaled FMCG players benefit from broader multi-category distribution networks.

**Soft drinks and packaged drinking water includes total still/s: dairy/soy/nut beverages, RTD energy drink, fruit & vegetable juices, juices & nectars, RTD tea/coffee; total sparkling soft drinks: sparkling soft drinks, energy drinks*; *total packaged drinking water including bulk & pouch*

Exhibit 5.1b: *Infrastructure & Distribution Network of Key Indian NARTD Companies (FY 2026)*

Key Players	Geographical Presence	Manufacturing Infrastructure	Distribution Network
Beverages Focussed Players			
Hindustan Coca-Cola Holdings Ltd. (HCCH)	Presence across 10 states (including UT) with strong penetration in south and west regions	Operates 14 production facilities supplemented by 8 third-party co-pack units	• Total reach of ~1.7 Mn retail outlets • 2,273 dealers/distributors • 23 warehouses/depots • 0.6 Mn visi-coolers across the network
Varun Beverages Ltd.* (VBL)	Nationwide presence across 26 states and 6 Union Territories	38 bottling plants in India	• 4 Mn+ retail outlets covered directly and indirectly • 2,800+ dealers/distributors • 10,000+ vehicle fleet including 2,600 company-owned vehicles • 130+ depots • ~1.2 Mn+ visi-coolers
Bisleri International Pvt. Ltd. (BIPL)	Nationwide presence across 16 states	130 manufacturing facilities, including company-owned, contract manufacturing	• 0.5 Mn+ retail outlets covered directly and indirectly^^ • 5,900+ dealers/distributors
Parle Agro Pvt. Ltd. (PAVL)	Nationwide presence	84 manufacturing facilities, including company-owned, contract manufacturing	• 2 Mn+ retail outlets covered directly and indirectly • 7,500+ dealers/distributors
FMCG Players			
Reliance Consumer Products Ltd. (RCPL)	Nationwide presence across 12 states	Manufacturing beverages at about 18 facilities through co-investment partnership	• 3 Mn+ retail outlets covered directly and indirectly • 5,000+ dealers/distributors
TATA Consumer Products Ltd. (TCPL)	Nationwide presence across 28 states and 8 Union Territories	126 manufacturing facilities, including company-owned, contract manufacturing & packaging centres, supporting a diverse FMCG portfolio	• 1.8 Mn retail outlets covered directly and 2.7 Mn indirectly, taking the total retail reach to 4.5 Mn+ outlets • 7,000+ dealers/distributors
Nestle India Ltd. (NIL)	Nationwide presence across 28 states and 8 Union Territories	9 owned and 22 third-party contract manufacturing units to support wide FMCG portfolio	• 5.3 Mn+ retail outlets covered directly and indirectly • 10,000 dealers/ distributors • 1,000+ Nestle kiosk
Britannia Industries Limited (BIL)	Nationwide presence across 28 states and 8 Union Territories	20 owned manufacturing units to support FMCG portfolio	• 6.5 Mn+ retail outlets covered directly and indirectly • 5,200+ dealers/ distributors

Source: Annual Report & Investor Presentation for FY 2026
^HCCH details are as of June 30, 2026
^^Indicates detail for FY 2025
** VBL data pertains to its standalone India operations and excludes international businesses. Distribution network details are for 30th June 2025 (Q2 CY 2025)*
*** All company details presented above for the scaled FMCG players are at the overall company level and are not specific to their beverage businesses*
****Direct reach represents outlets directly serviced by the company/distributor network, while indirect reach represents outlets reached through wholesalers or other distribution intermediaries*
***** Owned facilities represent manufacturing plants owned and operated by the company. Co-pack units are third-party bottling/packaging partners engaged to package company products. Contract manufacturers are third-party facilities engaged to manufacture products under contractual arrangements and company-defined specifications*

5.2 Packaging Efficiency and Sustainability Initiatives by Key NARTD Players

Packaging lightweighting has become an important focus area for beverage companies as it helps reduce packaging material consumption, improve material efficiency and optimise packaging costs at scale. HCCH leverages ASSP (Affordable Small Sparkling Package) technology as part of its affordability initiatives. Such

technology incorporates a patented PET bottle neck-finish design of 22 mm or less, owned by The Coca-Cola Company and is granted till July 31,2035, which contributes to packaging efficiency and supports cost optimization by enabling closure weight reduction. Its 250 ml ASSP packaging design (Preform, bottle and closure) has a PET weight of less than 10 g, compared with its 15.2 g standard 250 ml PET design, reducing plastic usage by approximately one-third.
Similarly, VBL has also taken steps to reduce packaging materials across selected 600 ml-2.25 L packs. Beverages focussed players such as HCCH, VBL have in-house PET preform and closure manufacturing capabilities, supporting backward integration across the packaging value chain. These initiatives highlight how beverage companies are using packaging innovation to improve material efficiency while reducing packaging inputs across large production volumes.

5.3 Category Presence of Key Players in the Indian NARTD Market

The NARTD landscape shows a clear difference in portfolio breadth and category focus across players. HCCH and VBL have the most diversified beverage portfolios, with a presence across almost all major NARTD categories, allowing them to address multiple consumption occasions through a single distribution network. RCPL is also building a broad portfolio, spanning carbonated, energy, sports & hydration and functional beverages, reflecting its strategy of entering both mainstream and emerging categories. In comparison, TCPL, DIL, HUL, ITC, Nestlé and Britannia remain more selectively positioned, with presence concentrated in specific categories where they have stronger brand or product capabilities. This creates a relatively fragmented competitive landscape, with beverage specialists competing through portfolio breadth and distribution scale, while diversified FMCG players leverage category expertise and established brands to participate in selected NARTD categories.

Exhibit 5.3a: *NARTD Category Presence of Key Indian NARTD Players*

Key Players	Sparkling			Juices	Hydration		Others	
	CSD - Cola	CSD - Non-Cola	Energy Drinks	Juices	Sports drink/ ORS/ Adv. Hydration	Packaged Drinking Water	RTD Tea/Coffee	Value Added Dairy Bev.
Beverages Focussed Players								
Hindustan Coca-Cola Holdings Ltd. (HCCH)	✓	✓	✓	✓	✓	✓	-	-
Varun Beverages Ltd. (VBL)	✓	✓	✓	✓	✓	✓	✓	✓
Bisleri International Pvt. Ltd. (BIPL)	-	✓	-	-	-	✓	-	-
Parle Agro Pvt. Ltd. (PAVL)	✓	✓	-	✓	-	✓	-	✓
Scaled FMCG Players								
Reliance Consumer Products Ltd. (RCPL)	✓	✓	✓	✓	✓	✓	✓	✓
TATA Consumer Products Ltd. (TCPL)	-	-	✓	✓	✓	✓	✓	-
Nestle India Ltd. (NIL)	-	-	-	-	-	-	✓	-
Britannia Industries Limited (BIL)	-	-	-	-	✓	-	-	✓

Source: Company Websites
**The category presence for each company is mapped on 31st Oct 2026*

5.4 NARTD Players Operational Details

5.4.1 Operational Metrics Comparison with Industry Peers – As at and for the three months period ended June 30, 2026

Exhibit 5.4a: *Operational Metrics Comparison –As at and for the three months period ended June 30, 2026*

Particulars	Units	Hindustan Coca-Cola Holdings Ltd. (Restated)*	Hindustan Coca-Cola Holdings Ltd. (Retained Units)**	Varun Beverages Ltd. (Standalone)	Varun Beverages Ltd. (Consolidated)	Nestle India Ltd.	Britannia Industries Ltd.	Tata Consumer Products Ltd.
Volume	MUC	249.2	249.2	346.5	466.7	NA	NA	NA
Volume growth	%	15.11%	18.61%	14.39%	19.76%	NA	NA	NA
Realization per Case	₹ per Unit Case	171.3	171.3	169.6	175.3	NA	NA	NA

Source: Annual Reports, Quarterly Presentation Report
NA indicates not available
Volume & Realization per case for VBL are considered from quarterly presentation report (Q2 CY 2026)
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

5.4.2 Operational Metrics Comparison with Industry Peers – As at and for the three months period ended June 30, 2025

Exhibit 5.4b: *Operational Metrics Comparison –As at and for the three months period ended June 30, 2025*

Particulars	Units	Hindustan Coca-Cola Holdings Ltd. (Restated)*	Hindustan Coca-Cola Holdings Ltd. (Retained Units)**	Varun Beverages Ltd. (Standalone)	Varun Beverages Ltd. (Consolidated)	Nestle India Ltd.	Britannia Industries Ltd.	Tata Consumer Products Ltd.
Volume	MUC	216.5	210.1	302.9	389.7	NA	NA	NA
Volume growth	%	NA	NA	NA	NA	NA	NA	NA
Realization per Case	₹ per Unit Case	169.9	169.9	170.6	173.2	NA	NA	NA

Source: Annual Reports, Quarterly Presentation Report
NA indicates not available
Volume & Realization per case for VBL are considered from quarterly presentation report (Q2 CY 2025)
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

5.4.3 Operational Metrics Comparison with Industry Peers – As at and for the Financial Year ended March 31, 2026

Exhibit 5.4c: *Operational Metrics Comparison –As at and for the Financial Year ended March 31, 2026*

Particulars	Units	Hindustan Coca-Cola Holdings Ltd. (Restated)#	Hindustan Coca-Cola Holdings Ltd. (Retained Units)^	Varun Beverages Ltd. (Standalone)*	Varun Beverages Ltd. (Consolidated)*	Nestle India Ltd.	Britannia Industries Ltd.	Tata Consumer Products Ltd.
Volume	MUC	690.9	684.6	839.0	1,213.1	NA	NA	NA
Volume growth	%	(6.41%)	0.40%	2.19%	7.89%	NA	NA	NA
Realization per Case	₹ per Unit Case	166.2	166.2	NA	178.8	NA	NA	NA

Source: Annual Report
NA indicates not available
Realization per case for VBL consolidated is directly considered from the annual report
**Indicates details of CY 2025*
#Restated refers to Company's reported values
^Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented

5.4.4 Operational Metrics Comparison with Industry Peers – As at and for the Financial Year ended March 31, 2025

Exhibit 5.4d: *Operational Metrics Comparison –As at and for the Financial Year ended March 31, 2025*

Particulars	Units	Hindustan Coca-Cola Holdings Ltd. (Restated)#	Hindustan Coca-Cola Holdings Ltd. (Retained Units)^	Varun Beverages Ltd. (Standalone)*	Varun Beverages Ltd. (Consolidated)*	Nestle India Ltd.	Britannia Industries Ltd.	Tata Consumer Products Ltd.
Volume	MUC	738.3	681.8	821.0	1,124.4	NA	NA	NA
Volume growth	%	(9.77%)	3.62%	11.40%	23.17%	NA	NA	NA
Realization per Case	₹ per Unit Case	172.2	171.8	NA	177.9	NA	NA	NA

Source: Annual Report
NA indicates not available
Realization per case for VBL consolidated is directly considered from the annual report
**Indicates details of CY 2024*
#Restated refers to Company's reported values
^Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented

5.4.5 Operational Metrics Comparison with Industry Peers – As at and for the Financial Year ended March 31, 2024

Exhibit 5.4e: *Operational Metrics Comparison – As at and for the Financial Year ended March 31, 2024*

Particulars	Units	Hindustan Coca-Cola Holdings Ltd. (Restated)#	Hindustan Coca-Cola Holdings Ltd. (Retained Units)^	Varun Beverages Ltd. (Standalone)*	Varun Beverages Ltd. (Consolidated)*	Nestle India Ltd.	Britannia Industries Ltd.	Tata Consumer Products Ltd.
Volume	MUC	818.2	658.0	737.0	912.9	NA	NA	NA
Volume growth	%	NA	NA	12.86%	13.86%	NA	NA	NA
Realization per Case	₹ per Unit Case	170.7	168.9	NA	175.7	NA	NA	NA

Source: Annual Reports
NA indicates not available
Realization per case for VBL consolidated is directly considered from the annual report
**Indicates details of CY 2023*
#Restated refers to Company's reported values
^Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented

6. FINANCIAL BENCHMARKING

6.1 Revenue from Operations

Revenue from operations represents the earnings derived from a company's primary business functions, such as selling products or delivering services, and does not include income from non-core sources like interest or investments. It serves as a crucial indicator of the company's operational performance and financial strength.

Exhibit 6.1a: *Revenue from operations (₹Mn) and Y-o-Y Growth (%)*

Key Players	FY 2024	FY 2025	FY 2026	Q1 2026	Q1 2027	Y-o-Y (Q1 2026-Q1 2027	Y-o-Y% (2024-2025)	Y-o-Y (2025-2026)	CAGR (2024-26)
Hindustan Coca-Cola Holdings Ltd. (Restated)*	140,215.45	127,512.93	115,485.79	36,882.62	43,101.70	16.86%	(9.06%)	(9.43%)	(9.25%)
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	111,644.21	117,500.90	114,385.24	35,782.07	43,101.70	20.46%	5.25%	(2.65%)	1.22%
Varun Beverages Ltd. (Stand.) ^	126,328.26	143,486.00	145,568.22	53,050.21	59,962.08	13.03%	13.58%	1.45%	7.35%
Varun Beverages Ltd. (Consl.) ^	163,210.63	204,813.28	222,255.84	71,630.21	86,505.70	20.77%	25.49%	8.52%	16.70%
Nestle India Limited	195,633.70	202,015.60	231,546.00	50,961.60	63,781.80	25.16%	3.26%	14.62%	8.79%
Britannia Industries Ltd	167,692.70	179,426.70	191,515.90	46,222.20	49,999.70	8.17%	7.00%	6.74%	6.87%
Tata Consumer Products	152,058.50	176,183.00	202,904.30	47,789.10	53,488.80	11.93%	15.87%	15.17%	15.52%

Source: Annual Reports, MCA Filings
Revenue Growth Y-o-Y (%) is calculated as a Revenue from Operations of the relevant period/year minus Revenue from Operations of the preceding period/year, divided by the Revenue from operations of the preceding period/year
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
HCCH revenue from operations has seen a degrowth owing to re-alignment of operating territories among TCCC bottlers
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

6.2 EBITDA excluding other income and exceptional items and EBITDA excluding other income and exceptional items margin

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation) excluding other income and exceptional items represents a company's operating profitability before accounting for financing costs and tax expenses. It is commonly used as a measure of the operating performance of a company's core business activities before the impact of financing decisions and taxation.

Exhibit 6.2a: *EBITDA excluding other income and exceptional items (₹Mn) and EBITDA excluding other income and exceptional items Growth (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027	Y-o-Y% (Q1 26-Q1 27)	Y-o-Y% (24-25)	Y-o-Y (25-26)	CAGR (24-26)
Hindustan Coca-Cola Holdings Ltd. (Restated)*	17,779.36	16,400.19	13,530.40	5,340.95	7,415.45	38.84%	(7.76%)	(17.50%)	(12.76%)
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	13,689.30	14,069.33	13,113.34	4,923.90	7,415.45	50.60%	2.78%	-6.79%	(2.13%)
Varun Beverages Ltd. (Stand.) ^	NA	NA	NA	NA	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Consol.) ^	36,094.85	47,110.71	50,493.69	19,987.73	23,430.37	17.22%	30.52%	7.18%	18.28%
Nestle India Ltd.	NA	47,695.8	53,060.6	11,001.3	15,381.3	39.81%	Na(1)	11.25%	Na(1)
Britannia Industries Ltd.	NA	NA	NA	NA	NA	NA	NA	NA	NA
Tata Consumer Products Ltd.	23,230	25,020	28,150	6,150	7,300	18.70%	7.71%	12.51%	10.08%

Source: Annual Reports, MCA Filings
For Hindustan Coca-Cola Holdings Ltd. (Restated) EBITDA excluding other income and exceptional items is calculated as sum of profit for the period/year, total tax expense, finance costs and depreciation and amortization expense less other income and exceptional items (net).
For Hindustan Coca-Cola Holdings Ltd. (Retained Units) EBITDA excluding other income and exceptional items represents EBITDA excluding other income and exceptional items based on the Financial Statements after excluding the EBITDA excluding other income and exceptional items attributable to the Refranchised Units.
For all other peers, EBITDA has been considered as disclosed in their respective annual reports and investor presentations.
EBITDA excluding other income and exceptional items Y-o-Y Growth (%) is calculated as EBITDA excluding other income and exceptional items of the relevant period/year minus EBITDA excluding other income and exceptional items of the preceding period/year, divided by the EBITDA excluding other income and exceptional items of the preceding period/year
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available, Na(1)- Not Applicable
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

EBITDA excluding other income and exceptional items margin is a profitability ratio that indicates the percentage of revenue that remains as earnings before interest, taxes, depreciation and amortization after operating expenses have been deducted.

Exhibit 6.2b: *EBITDA excluding other income and exceptional items margin (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027
Hindustan Coca-Cola Holdings Ltd. (Restated)*	12.68%	12.86%	11.72%	14.48%	17.20%
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	12.26%	11.97%	11.46%	13.76%	17.20%
Varun Beverages Ltd. (Stand.) ^	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Consol.) ^	22.12%	23.00%	22.72%	27.90%	27.09%
Nestle India Ltd.	NA	23.61%	22.92%	21.59%	24.12%
Britannia Industries Ltd.	NA	NA	NA	NA	NA
Tata Consumer Products Ltd.	15.28%	14.20%	13.87%	12.87%	13.65%

Source: Annual Reports, MCA Filings
Note: EBITDA excluding other income and exceptional items margin (%) is computed as EBITDA excluding other income and exceptional items divided by revenue from operations
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

6.3 Profit before tax (PBT) excluding exceptional items and PBT excluding exceptional items margin

Exhibit 6.3a: *Profit before tax (PBT) excluding exceptional items (₹Mn) and Profit before tax (PBT) excluding exceptional items margin Growth (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1 FY2026	Q1 FY2027	Y-o-Y% (Q1 26-Q1 27)	Y-o-Y% (24-25)	Y-o-Y (25-26)	CAGR (24-26)
Hindustan Coca-Cola Holdings Ltd. (Restated)*	11,967.34	8,892.83	5,780.41	3,662.06	5,538.98	51.25%	(25.69%)	(35.00%)	(30.50%)
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	23,681.63	30,699.39	35,432.46	15,476.99	17,551.21	13.40%	29.63%	15.42%	22.32%
Varun Beverages Ltd. (Consol.) ^	27,393.60	34,330.89	40,096.48	17,320.44	19,771.77	14.15%	25.32%	16.79%	20.98%
Nestle India Ltd.	42,940.50	41,327.00	44,433.50	8,878.30	13,141.80	48.02%	-3.76%	7.52%	1.72%
Britannia Industries Ltd.	29,163.70	29,513.60	32,887.80	7,010.20	7,973.50	13.74%	1.20%	11.43%	6.19%
Tata Consumer Products Ltd.	20,227.60	17,816.60	21,928.40	4,654.20	5,922.10	27.24%	(11.92%)	23.08%	4.12%

Source: Annual Reports, MCA Filings
Note: PBT excluding exceptional items Y-o-Y Growth (%) is calculated as a PBT excluding exceptional items of the relevant period/year minus PBT excluding exceptional items of the preceding period/year, divided by the PBT of the preceding period/year
All figures are consolidated except for Varun Beverages Ltd. (Stand.).
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

Exhibit 6.3b: *Profit before tax (PBT) excluding exceptional items margin (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027
Hindustan Coca-Cola Holdings Ltd. (Restated)*	8.40%	6.91%	4.96%	9.80%	12.75%
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	18.53%	20.88%	23.51%	28.69%	28.77%
Varun Beverages Ltd. (Consol.) ^	16.70%	16.66%	17.76%	23.92%	22.58%
Nestle India Ltd.	21.82%	20.39%	19.16%	17.41%	20.53%
Britannia Industries Ltd.	17.17%	16.24%	16.97%	14.98%	15.75%
Tata Consumer Products Ltd.	13.09%	10.00%	10.72%	9.66%	10.92%

Source: Annual Reports, MCA Filings
Note: PBT excluding exceptional items margin is calculated as PBT excluding exceptional items divided by total income.
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

6.4 Profit after tax and Profit after tax margin

Profit after tax (PAT) represents the net earnings a company retains after covering all its operating and non-operating expenses, interest, depreciation, and taxes

Exhibit 6.4a: *PAT (₹Mn) and PAT Growth (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1 FY2026	Q1 FY2027	Y-o-Y% (Q1 26-Q1 27)	Y-o-Y% (24-25)	Y-o-Y (25-26)	CAGR (24-26)
Hindustan Coca-Cola Holdings Ltd. (Restated)*	28,120.99	7,598.98	11,650.48	10,548.63	4,086.16	-61.26%	(72.98%)	53.32%	(35.63%)
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	17,751.26	23,203.64	26,766.42	11,601.61	13,243.32	14.15%	30.72%	15.35%	22.79%
Varun Beverages Ltd. (Consol.) ^	21,018.13	26,342.85	30,620.42	13,254.88	15,253.55	15.08%	25.33%	16.24%	20.70%
Nestle India Ltd.	31,962.10	32,075.90	34,990.80	6,465.90	9,586.80	48.27%	0.36%	9.09%	4.63%
Britannia Industries Ltd.	21,342.20	21,778.60	25,370.10	5,201.30	5,933.80	14.08%	2.04%	16.49%	9.03%
Tata Consumer Products Ltd.	12,154.00	12,871.00	15,468.00	3,317.50	4,271.90	28.77%	5.90%	20.18%	12.81%

Source: Annual Reports, MCA Filings
Note: Profit for the period / year from continuing operations
PAT Y-o-Y Growth (%) is calculated as a PAT of the relevant period/year minus PAT of the preceding period/year, divided by the PAT of the preceding period/year
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

PAT Margin is a profitability ratio that indicates the percentage of revenue that remains as profit after all expenses, including taxes, have been deducted.

Exhibit 6.4b: *PAT margin (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027
Hindustan Coca-Cola Holdings Ltd. (Restated)*	19.75%	5.90%	9.99%	28.24%	9.41%
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	13.89%	15.78%	17.76%	21.50%	21.71%
Varun Beverages Ltd. (Consol.) ^	12.82%	12.79%	13.56%	18.31%	17.42%
Nestle India Ltd.	16.24%	15.83%	15.09%	12.68%	14.98%
Britannia Industries Ltd.	12.57%	11.99%	13.09%	11.12%	11.72%
Tata Consumer Products Ltd.	7.87%	7.23%	7.56%	6.88%	7.88%

Source: Annual Reports, MCA Filings
Note: PAT margin (%) is computed as PAT divided by total income
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

6.5 Capital Expenditure (Capex)

Capital Expenditure (Capex) refers to the expenditure incurred by a company to acquire, construct, upgrade or maintain long-term tangible assets, such as property, plant and equipment, that are expected to generate economic benefits over multiple periods.

Exhibit 6.5a: *Capital Expenditure (₹Mn)*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027
Hindustan Coca-Cola Holdings Ltd. (Restated)*	33,838.48	30,995.98	16,434.55	3,811.75	6,392.52
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	26,464.52	23,833.06	15,381.80	NA	NA
Varun Beverages Ltd. (Consol.) ^	32,640.49	37,790.10	27,391.04	NA	NA
Nestle India Ltd.	18,826.70	20,086.40	8,297.00	NA	NA
Britannia Industries Ltd.	5,528.70	3,748.50	2,055.70	NA	NA
Tata Consumer Products Ltd.	3,346.90	4,595.40	4,485.70	NA	NA

Source: Annual Reports, MCA Filings
Note: Capex is calculated as purchase of property, plant and equipment, land leasehold and intangible assets
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

Capex Intensity is a ratio that indicates the percentage of revenue invested by a company in capital expenditure, reflecting the level of investment made in property, plant and equipment and other long-term assets.

Exhibit 6.5b: *Capex Intensity (%)*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027
Hindustan Coca-Cola Holdings Ltd. (Restated)*	24.13%	24.31%	14.23%	10.33%	14.83%
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	20.95%	16.61%	10.57%	NA	NA
Varun Beverages Ltd. (Consol.) ^	20.00%	18.45%	12.32%	NA	NA
Nestle India Ltd.	9.62%	9.94%	3.58%	NA	NA
Britannia Industries Ltd.	3.30%	2.09%	1.07%	NA	NA
Tata Consumer Products Ltd.	2.20%	2.61%	2.21%	NA	NA

Source: Annual Reports, MCA Filings
Note: Capex Intensity is computed as Capex divided by revenue from operations
All figures are consolidated except for Varun Beverages Ltd. (Stand.)
NA - not available
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

6.6 Working Capital Days

Net working capital days is computed as average net working capital divided by revenue from operations for the relevant period/year, multiplied by the number of days in such period/year. Average net working capital is the simple average of the net working capital as at the end of the relevant period/year and as at the end of the immediately preceding financial period/year.

Exhibit 6.6a: *Net Working Capital Days*

Particulars	FY 2024	FY 2025	FY 2026	Q1FY2026	Q1FY2027
Hindustan Coca-Cola Holdings Ltd. (Restated)*	NA	20.94	3.71	13.97	(9.89)
Hindustan Coca-Cola Holdings Ltd. (Retained Units) **	NA	NA	NA	NA	NA
Varun Beverages Ltd. (Stand.) ^	37.86	41.84	57.37	NA	NA
Varun Beverages Ltd. (Consol.) ^	43.38	44.85	57.24	NA	NA
Nestle India Ltd.	34.22	25.82	6.08	NA	NA
Britannia Industries Ltd.	0.22	(1.22)	(1.41)	NA	NA
Tata Consumer Products Ltd.	25.33	19.89	15.84	NA	NA

Source: Annual Reports, MCA Filings
Net working capital is calculated as the sum of trade receivables and inventories, less trade payables
Net working capital days is calculated as the average net working capital divided by revenue from operations, multiplied by number of days in the period/year, where: average balances are calculated as the simple average of the closing balance as at the end of the relevant period/year and the closing balance as at the end of the immediately preceding period/year. Number of days for period/year: 365 days for Financial Years 2026, 2025 and 2024, and 91 days for the three-month periods ended June 30, 2026 and June 30, 2025.
^ For Varun Beverages Ltd., which follows a calendar-year reporting cycle, CY 2025 has been considered as FY 2026, and Q2 CY 2025 (April-June 2025) as Q1 FY 2026.
**Restated refers to Company's reported values*
***Retained units refers to Company's business in the Territories, with financial and operational information presented excluding the actual results of the Refranchised Units for all period/year presented*

7. RISK AND CHALLENGES

Packaged Food and Beverage Market

Rising Cost and Complexity of Regulatory Compliance and Sustainable Packaging Requirement

India's packaged food and beverage industry is facing an evolving regulatory environment, with FSSAI regularly updating requirements across labelling, packaging, product standards and food safety. Recent scrutiny of claims such as "healthy", "organic" and "zero maida", along with clarification on the use of "Energy Drink", requires companies to continually review product labelling and communication. Extended Producer Responsibility (EPR) regulations and recycling targets are also increasing packaging-related responsibilities, particularly for NARTD categories that rely heavily on PET bottles, cans and other packaging materials. While these changes support consumer safety and transparency, frequent updates to labelling, packaging and sustainability requirements increase the cost and operational effort needed to maintain compliance.

Raw Material, Water Availability and Supply Chain Disruptions Increasing Cost Pressure & Operational & Availability Risk

The packaged food and beverage industry remains exposed to changes in raw material prices, transportation costs and supply availability. Packaged food manufacturers face fluctuations in inputs such as wheat, edible oils, sugar and milk, while beverage manufacturers are exposed to PET resin, aluminium and sweetener prices. Import-dependent inputs further increase exposure to global commodity prices and supply disruptions. Water availability is an additional concern for beverages, given its importance as a production input and for Packaged Drinking Water, with groundwater stress and regional water constraints affecting manufacturing and capacity expansion.

Global supply and logistics disruptions further increase packaging, freight and procurement costs and affect product availability. Higher input and logistics costs put pressure on margins, particularly in price-sensitive, packaged food and beverage categories where companies have limited room to pass on cost increases to consumers. This makes cost management and supply continuity important for maintaining margins, pricing and product availability across markets.

Rising Taxation and Policy Changes Creating Cost Pressure

Changes in GST, taxes and government policies directly affect the cost and pricing of packaged food and beverages. Carbonated beverages, for example, continue to attract one of the highest tax incidences among packaged food and beverage categories, with an effective GST tax rate of 40%. While recent GST reductions have provided relief to specific categories, with GST on non-carbonated fruit juice-based drinks and packaged drinking water revised to 5%, the differential tax treatment across beverage segments can influence relative pricing and consumption patterns. Changes in import duties, export restrictions and taxes on specific products or raw materials also affect the cost of making and selling products. These changes make pricing and margin planning more challenging, particularly in price-sensitive categories where passing higher costs to consumers affects demand.

Consumer Spending remains resilient, but inflation limits discretionary headroom

India's consumer environment has faced sustained price pressure over the past several years, with CPI inflation rising from 3.71% in FY 2019 to 5.14% in FY 2021 during the COVID period and remaining elevated before moderating in recent years. At the same time, real per capita private consumption contracted 7.02% in FY 2021 during COVID-19 but recovered strongly thereafter, with growth remaining positive and reaching 8.38% in FY 2026. Despite the recovery in consumption, inflation continues to absorb a larger share of household spending, limiting headroom for discretionary purchases. This creates a headwind for packaged F&B, particularly premium, impulse and non-essential categories, as consumers prioritise essential, affordable pack sizes and value-for-money offerings.

Non Alcoholic Ready-to-Drink (NARTD)

In addition to the broader risks and challenges applicable to the Indian food and beverage market, the NARTD market is subject to certain category-specific considerations, including the following:

Sugar-reduction, demand for healthier alternatives and labelling pressure

Rising focus on sugar intake and healthier beverage choices is increasing pressure on NARTD companies to reformulate existing portfolios while maintaining taste, affordability and consumer acceptance. At the same time, regulatory scrutiny of nutritional disclosure is increasing, with FSSAI proposing more prominent disclosure of added sugar, saturated fat and sodium and broader debate continuing around front-of-pack nutrition communication. For beverage manufacturers, this creates a dual challenge of adapting formulations and pack communication without compromising taste or materially increasing product cost.

Input/commodity cost volatility (PET, aluminium, sweeteners)

Input/commodity cost volatility (PET, aluminium, sweeteners): NARTD manufacturers are exposed to fluctuations in the prices of key packaging and formulation inputs, including PET resin, aluminium and sweeteners such as sugar, which can affect production and packaging costs. PET resin prices are influenced by movements in crude oil and petrochemical feedstock prices, while aluminium costs are linked to global commodity prices, energy costs and supply conditions. Sweetener costs can also vary due to changes in domestic crop output, government policies and broader agricultural commodity cycles. Given the relatively high share of packaging and ingredients in beverage cost structures, sharp increases in this input costs can place pressure on gross margins, particularly in mass-market product categories where products are sold at established consumer price points such as ₹10, ₹20 and ₹30. While manufacturers may partly mitigate such pressures through procurement contracts, lightweighting, pack-size adjustments, reformulation or selective price increases, sustained commodity inflation may increase operating costs and constrain the ability to fully pass on cost increases without affecting consumer affordability and demand.

Competitive fragmentation and margin pressure

Competition in the Indian NARTD market is intensifying across both mass-market and differentiated beverage sub-categories, as established multinational and domestic players compete alongside regional brands and newer category specialists. At the mass end, players such as Reliance Consumer Products through Campa, alongside regional beverage companies, are expanding through competitive price points, while categories such as Energy Drinks, Advance Hydration and RTD Tea/Coffee are attracting a broader set of specialist and digital-first brands supported in part by ₹10 and ₹20 price points.

Seasonality and weather variability

Seasonality and weather variability: Demand for NARTD beverages is influenced by seasonal and weather conditions, with warmer periods typically supporting higher consumption across categories such as CSD, packaged drinking water and hydration beverages. Conversely, unseasonal rainfall, cooler summers or prolonged adverse weather conditions may reduce consumption occasions and affect sales volumes.

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