



Bottled Water - India

December 2008

Executive Summary

Market

- Rapidly growing market
- Estimated worth USD XX in 2007 & USD YY mn in 2012
- Packaged Drinking Water: a% of total market
- Natural Mineral Water: b% of total market

Drivers & Challenges

- **Drivers:** Sound economics, government failure to provide safe drinking water, and archaic laws encouraging groundwater exploitation
- **Challenges:** Inefficient transportation infrastructure, difficulties in brand differentiation, and possible threat from public campaigns/litigation

Trends

- Recent Brand Building activity
- Continued focus on institutional sales
- Flavoured water expected to be launched soon
- New entrants from other industries, especially retail and hospitality
- Possible export of Himalayan natural mineral water

Competition

- Packaged Drinking Water segment
 - Fiercely competitive and includes a sizeable unorganized sector
 - A,B,C are market leaders
- Natural Mineral Water Segment
 - Little competition and dominated by company Z



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- **Market Overview**
 - Drivers & Challenges
 - Trends
 - Competition
 - Key Developments



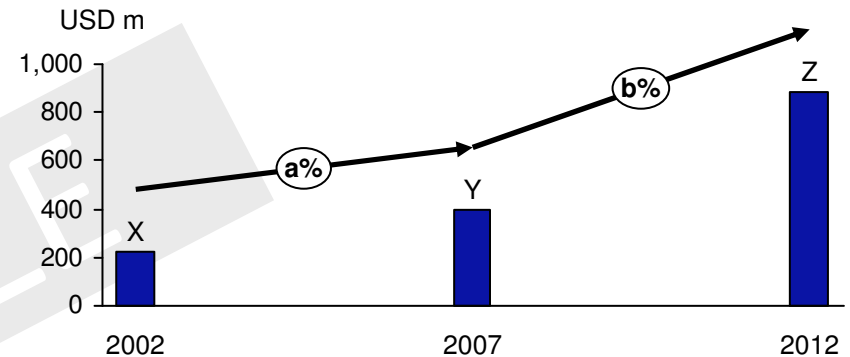
The Indian bottled water industry is growing dynamically and is forecast to accelerate until 2012

Overview

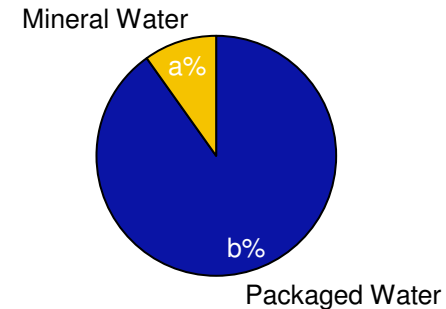
- One of the fastest growing, competitive industries in India
- Industry estimated to be worth USD XX mn in 2007, growing at y% p.a. since 2003
- Growth is forecast to accelerate to x% p.a. from 2007 to reach USD YY mn by 2012
- Market comprises of two segments:
 - Packaged drinking water: Water from any source, which is treated for consumption
 - Natural Mineral water: Drawn from a natural underground source
- Consumption varies across regions and is primarily linked to the level of prosperity
 - B region is the largest market with a%
 - However, southern city of A is estimated to account for b% of the market alone
- Production is concentrated in South India where ~a% of all bottling plants are located

Size and Segments

Market Size and Growth



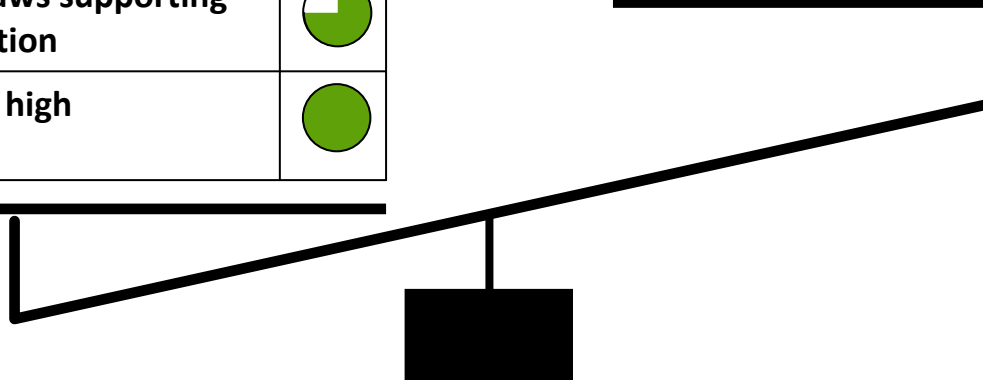
Major Segments



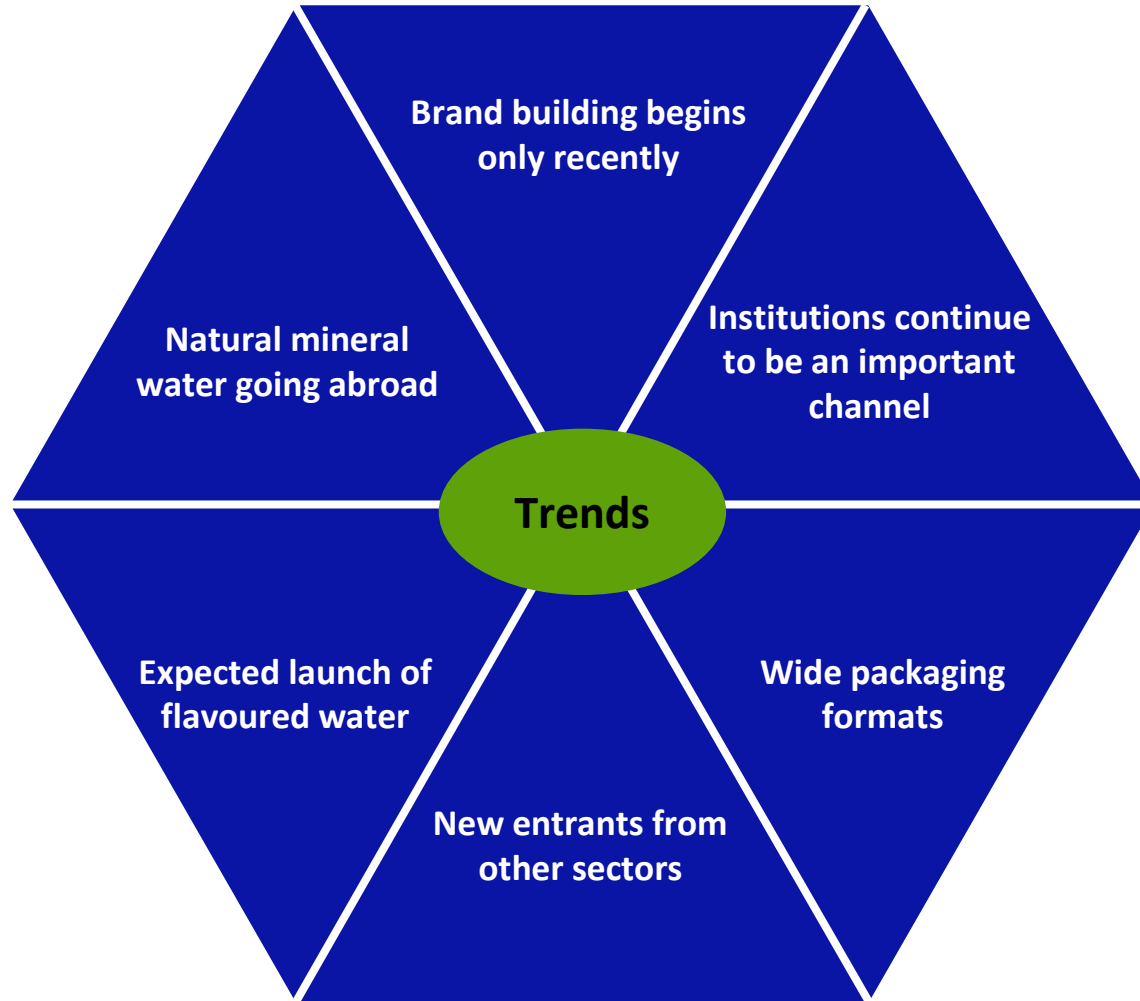
Drivers & Challenges

Drivers	
Water shortage or lack of safe drinking water in most places	
Increasing consumer awareness on health issues	
Archaic government laws supporting groundwater exploitation	
Sound economics and high profitability	

Challenges	
Inefficient transport infrastructure	
Low-entry barriers and threat from low-quality products	
Brand and category differentiation	
Possible threat from public campaigns and litigation	



Key Trends

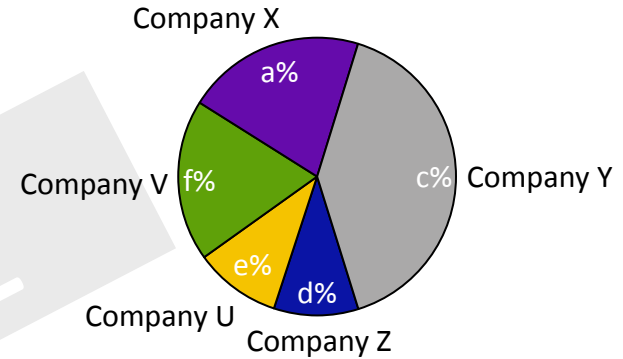


X,Y and Z lead in packaged drinking water while Z dominates the natural mineral water segment

Packaged Drinking Water

- Fiercely competitive due to attractive economics and huge size
- Organized sector comprises X,Y,Z and numerous regional brands
- Includes a large number of regional or localized brands as well

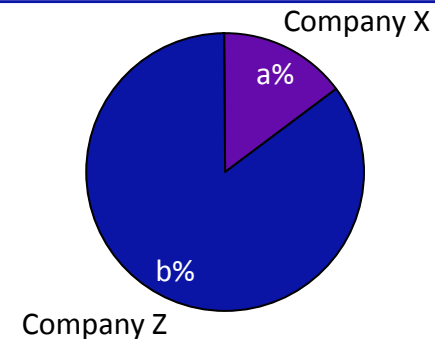
Market share – organized sector



Natural Mineral Water

- Few participants - only xx licensees
- Dominated by company Z
- Other domestic brands include U,V,W
- The niche premium import segment includes A,B,C

Market share



A large unorganized sector also exists providing fierce competition to larger players



Thank you for the attention

The Bottled Water report is a part of Research on India's Food & Beverage Industry Series. For more detailed information or customized research requirements please contact:

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