

United Spirits to acquire strategic stake in Nao Spirits

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United Spirits Limited (Diageo India) has announced an investment of ₹31.5 crore to acquire a strategic minority stake in Nao Spirits & Beverages Private Limited (Nao Spirits). Upon completion of the investment, Diageo India will hold 22.5 per cent of the equity share capital of the company on a fully diluted basis, and a call option to acquire the remaining shares on pre-agreed principles.

Nao Spirits was launched in 2016 by Anand Virmani, with the dream of bringing an Indian botanical-infused gin to the world, with brands such as Greater Than and Hapusa. In a release, Diageo India said that Greater Than, India's first craft gin, is made out of nine botanicals from India

and around the world, and is the only London Dry Gin from South Asia recognised by the Gin Guild, UK. Luxury gin Hapusa is one of the few craft gins in the world made with foraged Himalayan Juniper and unique botanicals such as fresh turmeric, Gondhoraj peel and raw mango, to create a bold and earthy gin, the company added.

In high spirits

Diageo India said that Nao Spirits provides it with an opportunity to strengthen its participation in the fast-growing premium gin segment in India. As consumers shift towards experimentation, repertoire and casual drinking occasions, demand for local, yet authentic craft-oriented brands is increasing, the company added, and said that Nao Spirits brands



are well placed to cater to these trends.

Hina Nagarajan, MD and CEO, Diageo India, commented: "As a company built from founder-led brands, we are excited to make our first move in India to support bold and path-breaking entrepreneurs. Over the last three years, the Indian market has witnessed the emergence of multiple craft gin players and Nao Spirits has been a game-changer in the category.

"Our team is deeply committed to supporting Anand Virmani, Aparajita Ninan &

Abhinav Rajput, who will continue to run the business, to deliver Nao's vision of placing Indian craft gin among the world's most coveted craft spirits."

Anand Virmani, co-founder and CEO, Nao Spirits & Beverages, commented: "We are delighted to partner with a company like Diageo, which has supported craft spirits brands. This investment is a validation of the hard work, creativity, grit and passion of our team. As we look to chart the next phase of growth of Nao Spirits, the investment from Diageo India will help scale our business, improve efficiencies, and access mentorship from an industry leader, which will be immensely valuable."

The investment will be funded through Diageo India's internal cash resources.