

## Packaged drinking water brand Ayzill to raise capital, targets 30 markets by end of next fiscal

By Sagar Malviya, ET Bureau | Last Updated: Jun 22, 2023, 05:50 PM IST

### Synopsis

Packaged water brand Ayzill plans to issue a 10% stake to generate funding to help the company expand nationally and grow its manufacturing facilities. According to Rajesh Sonpal, managing director at Ranco Energy, the raising of funds would enable the company to "add muscle" to its marketing, e-commerce and supply chain platform as Ayzill aims to reach a sales target of 50,000 packs per day by 2030.



**Ayzill**, a [packaged drinking water brand](#), said it will raise capital by diluting 10% stake to help fund its plan to expand nationally especially in smaller towns and increase manufacturing footprint.

The company, that supplies to both retail as well as institutions such as offices, recently commissioned its fourth production sourcing facility. It has an overall daily throughput of 2000 packs of [packaged drinking water](#) in addition to 7000 units per month of 20 litres jars production.

"The additional funds so raised will help us in meeting our growth trajectory to roll-out pan-India supply chain network, manufacturing at multiple locations under contract manufacturing alliances with BIS approved plants, add warehouse space at or near our key customers, adding muscle to our marketing, supply chain and e-commerce platform," said Rajesh Sonpal, managing director at [Ranco Energy](#) that owns Ayzill.

The packaged drinking water market is around 35 billion litres per annum or about 8 million packs per day. The MMR and NCR account for around 0.5 million packs per day each. While Bisleri is by far the market leader, there are over 1800 regional and local producers have a market share of around 46% which is expected to grow to around 52% in the next seven years.

"This market has low-entry barriers and the USP of success is to keep on continuously adding resources to the supply chain infrastructure and to keep on penetrating the market deeper. The back-end digital infrastructure will prove to be the competitive edge," said Sonpal adding that it expect Ayzill to clock sales of around 50,000 packs per day by 2030.

"Our target is to have a market share of around 2% overall in the next eight years."

The company said it witnessed around 35% growth in overall sales month-on-month (m-o-m) over the past 10 months, since its commencement of commercial sales. At present, it is currently producing packaged drinking water at Mangaon, Malad, Bhiwandi and Taloja, all in Mumbai Metropolitan Region (MMR).

Over the next few months, it will be expanding its production sourcing arrangements and adding around 4-5 more locations across MMR and Pune in Maharashtra and also adding at least one location each in Bengaluru, NCR, Hyderabad and Surat Metropolitan areas. In addition, it is planning to set-up production sourcing facilities across several states like Himachal Pradesh, Jharkhand, West Bengal and Madhya Pradesh by 2025.

The company also received a license to manufacture fresh, natural spring water at Chamba, Himachal Pradesh and will soon be inviting bids for procurement of the spring water filtration plant and associated equipment for purification, filtration and packaging machinery for the same during this financial year.