



SHIKSHAN NIVESH

'FROM KNOWLEDGE TO WEALTH: EDUCATE, ANALYZE, INVEST'

Som Distilleries & Breweries

SECTOR: ALCOHOLIC BEVERAGES

● India's only listed player with presence in both Beer & IMFL segments

What They Do

SDBL manufactures and sells alcoholic beverages primarily **strong beer**, with an emerging portfolio in **IMFL** (whisky, vodka, rum). Its three core brands have each sold **1 million+** cases/year:

- 🍺 Hunter – Premium strong beer
- 🍷 Power Cool – Mass market beer
- 🍷 Black Fort – Strong beer
- 🍷 Legend – New launch
- 🍷 Woodpecker – India's 1st twist-cap beer

#ShikshanNivesh Insight:

📖 Alcohol is **state-regulated**. Always assess **excise changes, capacity location, and region-specific market dynamics** when analyzing Alcobeve companies.

Financial Performance Q3 FY25

- 💰 **Revenue:** ₹3,027 Cr (↑ 13.6% YoY)
- 📦 **Volumes:** 5 mn cases (**Beer: 4.7, IMFL: 0.34**)
- 📊 **Realization per case:**
 - **Beer:** ₹560 (↑ from ₹518)
 - **IMFL:** ₹1,068 (↑ from ₹938)
- 💵 **EBITDA:** ₹379 Cr (↑ 18.3%) — margin at 12.5%
- 📈 **Net Profit:** ₹192 Cr (↑ 6.7%) — margin at 6.3%
- 📊 **9M FY25 Total Income:** ₹11,074 Cr (↑ 23%)
- 📉 **Net Debt:** ₹880 Cr (↓ from ₹1,640 Cr) — Net Debt/EBITDA at **0.64x**
- 🎯 **Key Drivers:**
 - ✅ Premium mix (**Hunter + Woodpecker**)
 - ✅ Cost control in raw material and packaging
 - ✅ Operating leverage via automation & volume expansion

Operational Strengths

- 🏭 **Total Capacity:** 35.2 mn beer cases + 3.9 mn IMFL cases
- 📍 **Plants:** Bhopal (MP), Hassan (Karnataka), Cuttack (Odisha)
- 🔄 **Utilization (9M FY25):**
 - Bhopal: 73%
 - Karnataka: 65%
 - Odisha: 64%
- 🚀 **Post-expansion:** Odisha to reach 9 mn cases → Total beer capacity: 38.2 mn
- ⚙️ **Bhopal automation:** +25% packaging efficiency

Growth Moves

- 🏗️ ₹600 Cr greenfield brewery project in UP (40 acres acquired)
- 📰 **Legend Beer:** 1.8 mn cases sold in 9M FY25
- 🍺 **Woodpecker:** Premium lager & strong beer in twist-cap — **scaling fast in Karnataka**
- 🍷 **Carlsberg JV:** Optimizing capacity at Odisha
- 📉 **Debt reduced by ₹760 Cr** → Stronger balance sheet
- 📍 **Focus on emerging growth states:** UP, Delhi, Jharkhand, Northeast

Investment Risks

- 📉 **Seasonality in sales** (Q4/Q1 are peak)
- ⚖️ **Regulatory complexity:** excise policies vary by state
- 📊 **92% revenue from beer** → IMFL yet to scale meaningfully
- 📉 **Black Fort volumes under pressure** — brand refresh planned

Som Distilleries & Breweries Ltd

Market Cap
₹ 2,550 Cr.

PEG Ratio
0.73

Price/Earnings
25.3x

Sales CAGR 3 Year
65%

Bottom Line

Som is **leveraging its volume strength** in beer while upgrading its portfolio with **premium innovations**. Strategic expansions, strong cash flows, and a sharp focus on **debt reduction** make SDBL a unique case in India's Alcobeve space.

