



# BIRA 91

*Riding the Craft Beer Wave*

**PRESENTED BY ABHISHEK GINODIA, CA CFA**



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# THE AHA MOMENT

The founder of Bira, Ankur Jain, during his stint in New York, he had co-founded a health management startup, Reliant MD. His office was near to Blue Moon Brewery, one of the icons of craft beer in the US.

Every Saturday afternoon he would visit the bar and his love for craft beer grew.

On returning back to India he realized there were no Craft Beer options.

Jain saw a potential for a beer business in the growing market he decided to pivot.





# STORY BEHIND BIRA 91

Destiny and Jain's passion for craft beer made his dream come true in 2007 when he founded the Cerana Beverages (now B9 Beverages).

A company that imported and distributed craft beer brands from Belgium, Germany and the US.

Jain's experience helped him understand intricacies and the Indian taste palette much better



# FRESH BEER FROM THE TAP

Ankur made one of these imported beers available on-tap across 10 bars and restaurants in Delhi and there was a 25 times jump in sales volumes.

## What was the reason of sudden spike??

Fresh from the Tap: Fresher and more authentic feel

Cheaper than the bottle: As bottles contribute to a large part of the cost

Increased **Visibility**: As they were in display before the customers all the time as compared to the bottles which were either in the bar, in the refrigerator





# JOURNEY FROM IMPORTER TO BREWER

By May 2014, Ankur Jain transformed from being an importer and distributor to a manufacturer. He, however, chose to import his brew from Belgium.

He also raised seed funding from his friends from college and collected \$1 million from 6 of them to expand the business and launch his own bottled craft beer.

In 2015 Ankur rebranded it under the name of Bira91.



# CRAFT BEER INDUSTRY

India's beer industry, according to Expert Market Research estimates,

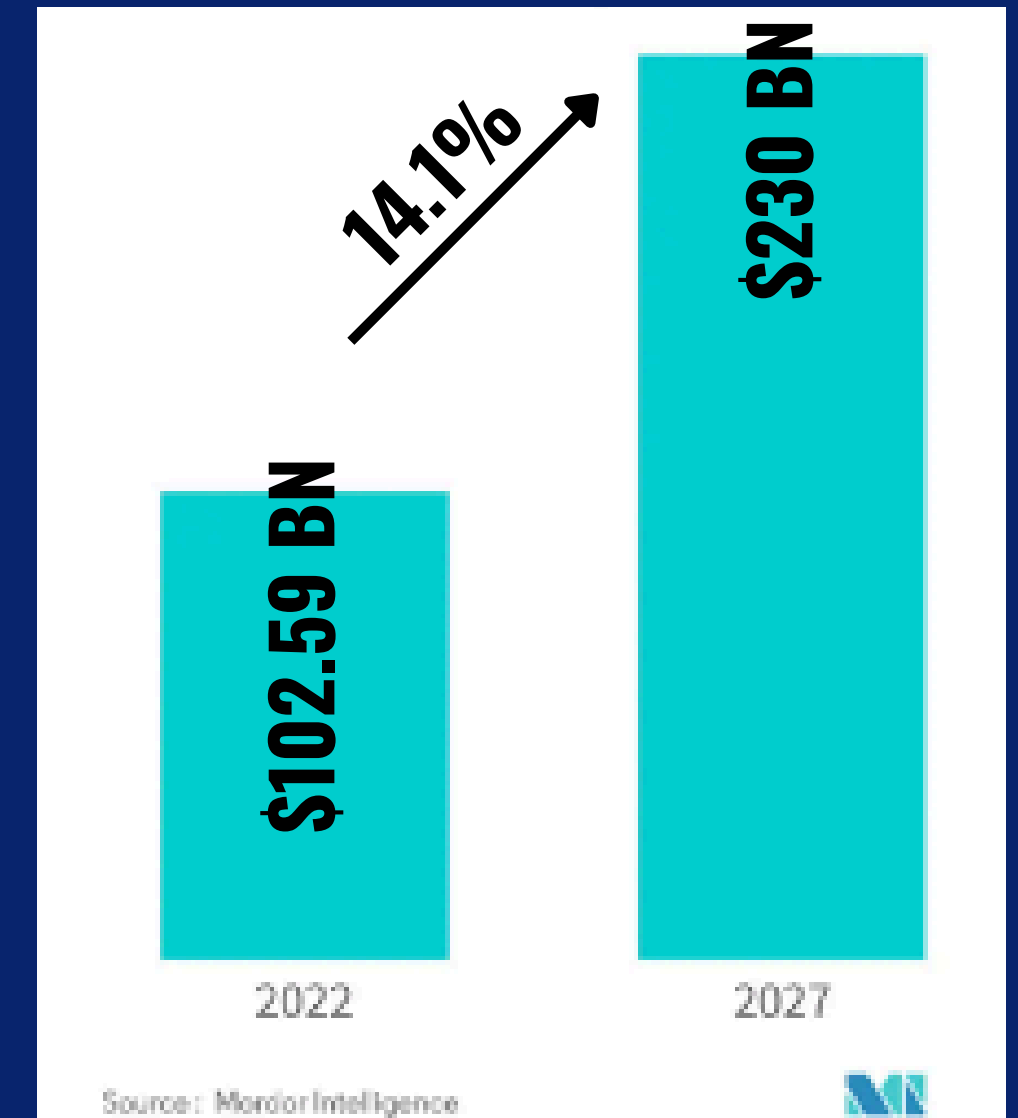
In 2020 ~ Rs 37,100 crore

Expected by 2026 ~ Rs 66,200 crore

Growth Rate ~ 9.2%

Indian Craft beer expected growth ~ 24%  
(in terms of volume over the forecast period)

## GLOBAL CRAFT BEER MARKET



# WHAT DID BIRA BRING TO THE TABLE

## Product Differentiation:

- > New tastes and flavours
- > Low alcohol content

Target audience: Young, urban, Indian consumer

The brand soon went viral, and sales surged, making Bira 91 one of the world's biggest and fastest-growing craft beer brands.



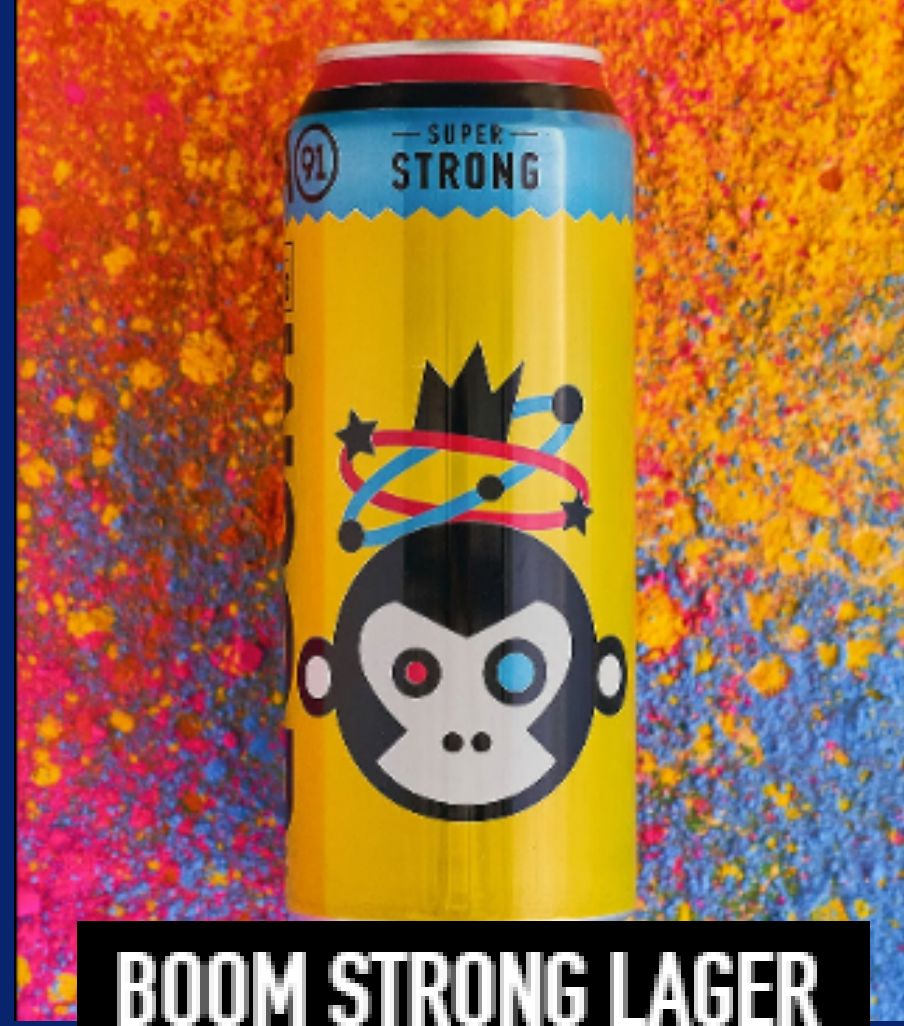




BLONDE SUMMER LAGER



GOLD WHEAT STRONG



BOOM STRONG LAGER

# PRODUCT PORTFOLIO



WHITE WHEAT ALE



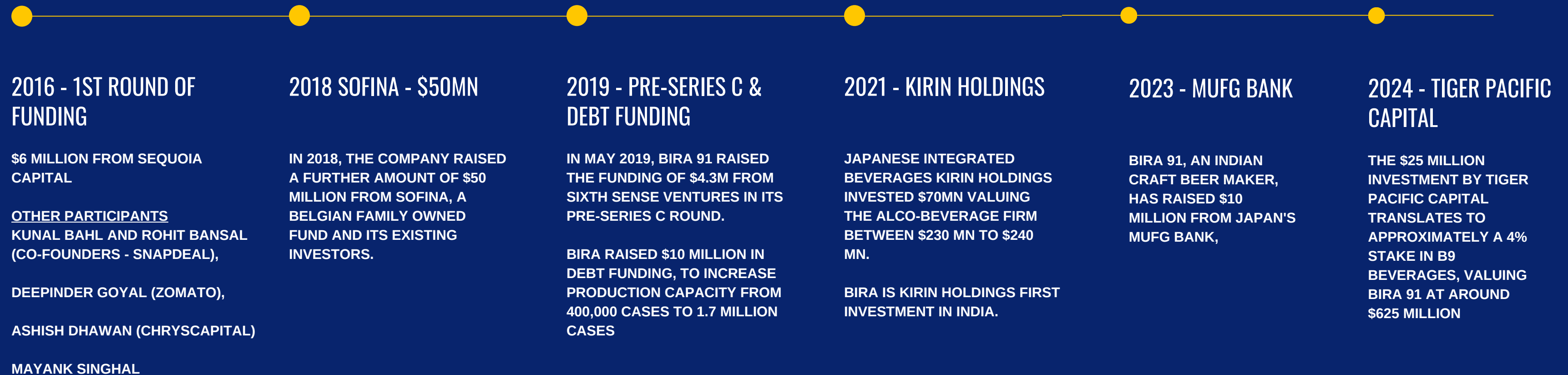
LIMITED RELEASE



LIGHT LOW CALORIE LAGER



# INVESTMENT TIMELINE



**FUN FACT - BIRA WAS SEQUOIA'S FIRST INVESTMENT IN THE ALCOHOL BEVERAGE SEGMENT**

# MARKETING STRATEGIES

## INDIAN CRAFT BEER WILL NOW BE SERVED FROM MELBOURNE CRICKET GROUND TO LORD'S

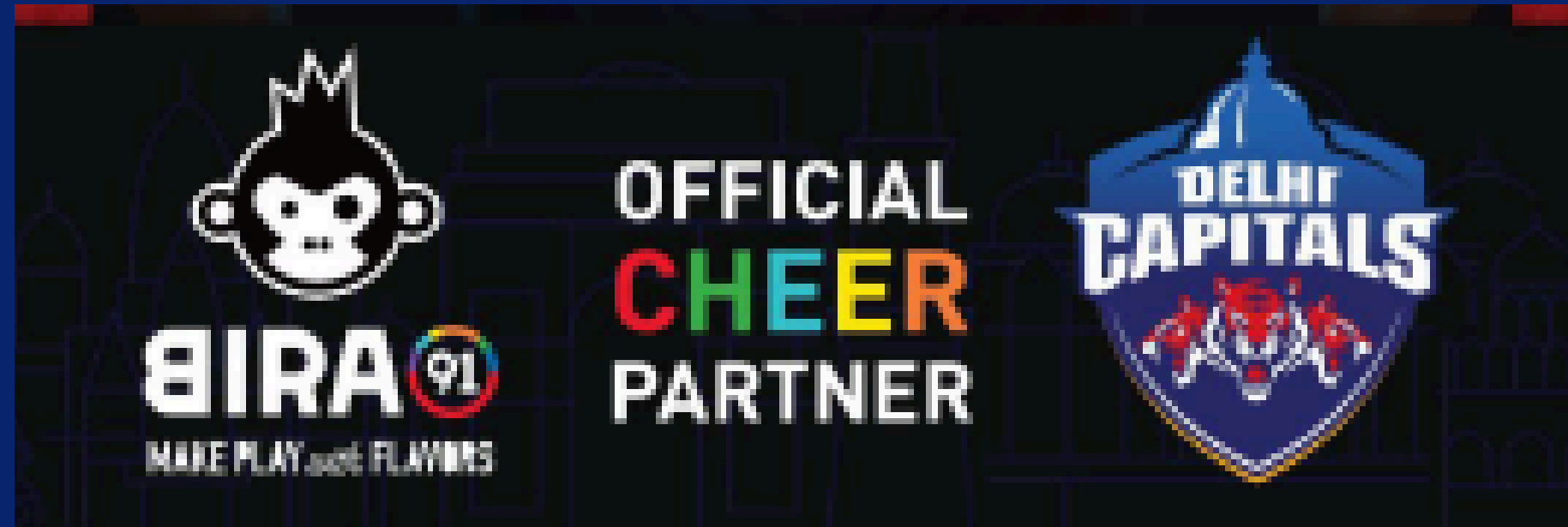
In 2019, Bira has signed a 5 year partnership with International Cricket Council and hence will have broadcast, digital, in-stadium rights during cricket Tournaments. The Indian love for cricket is phenomenal and associating Bira with the game will create a resonance factor with the populace.

ANKUR JAIN SAID “MULTI-MILLION-DOLLAR” DEAL, WILL ALSO GIVE HIS COMPANY THE RIGHTS TO SERVE BIRA 91 IN STADIUMS ACROSS





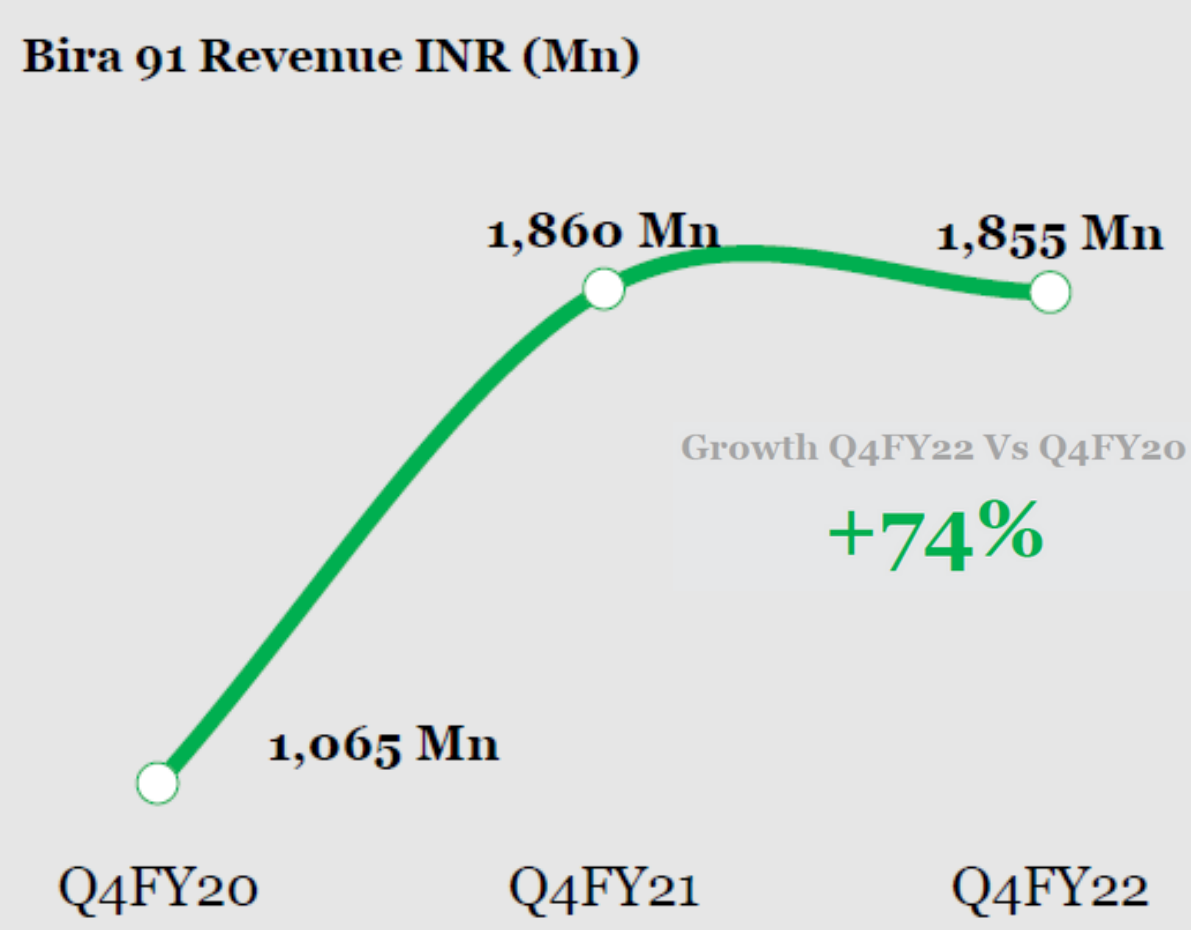
# MARKETING STRATEGIES



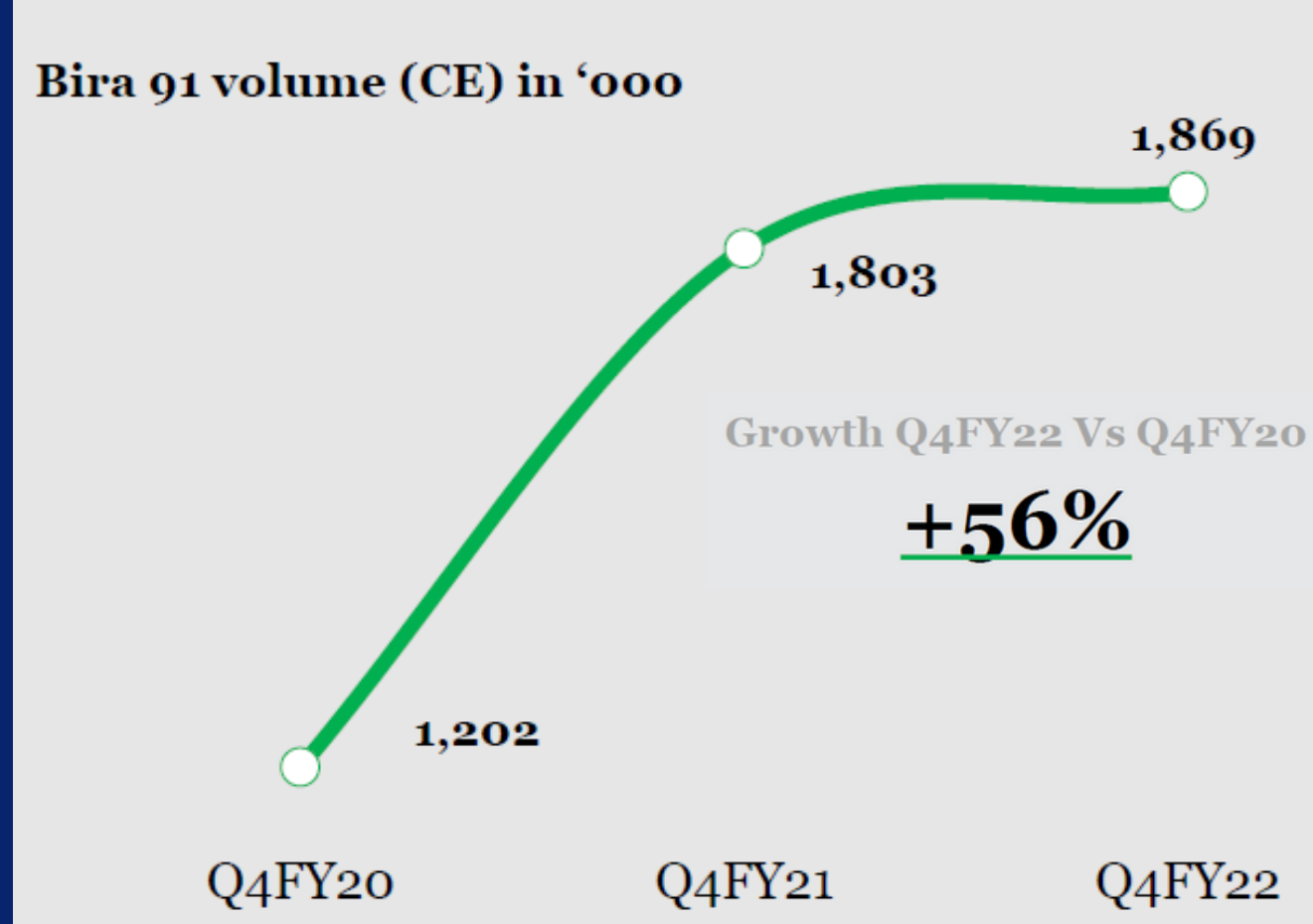
**JSW-GMR CO-OWNED DELHI CAPITALS HAS PARTNERED WITH BIRA 91, A FIRST-OF-ITS-KIND ASSOCIATION WITH ONE OF THE WORLD'S FASTEST-GROWING BEER BRANDS.**



# HIGHLIGHTS



Revenue at 1.7x of Precovid levels



Volume at 1.5x of Precovid levels

**INR 850 Mn**

Month's Revenue March 2022

**3X**

Revenue March 2022 Vs March 2020

**1.7X**

FY22 Vs FY21

March 2022

Top 5 beer brands / brand families in the country by volume – behind Kingfisher, Tuborg, Budweiser and Haywards, and top 4 in terms of revenue (Behind Kingfisher, Tuborg and Budweiser)

Brewery No. 5 – Gwalior Go live. Overall manufacturing capacity has expanded to 2.2m HLPa

# FINANCIAL ANALYSIS

	In INR Mn	
Consolidated	FY22	FY21
Volume ( CE 000)	7,276	4,146
Gross Revenue	7,870	4,558
Net Revenue	3,711	2,082
COGS (Material Costs + Overheads)	2,155	1,217
Material Costs	1,488	751
Gross Margin (Net of Material Cost )	2,224	1,332
Overheads	667	467
Gross Margin (Ex Brewery)	1,557	865
Supply Chain Expenses	576	299
Gross Margin Net of Supply Chain Expenses	981	565
Sales & Marketing	1,861	516
Manpower	653	590
G & A	643	551
EBITDA	(2,176)	(1,092)

- Volumes for FY 22 have increased by 76%
- Net Revenue at par with volumes improved by 78%.
- Gross Margin is constant 42% of Net Revenue.
- Brewery Margins steady despite inflationary pressures due to active cost management, improved state mix and improved realisation.
- EBITDA Margins declined as company resumed investment in marketing and normalised payroll costs.

# COMPETITIVE LANDSCAPE

There is no doubt Bira 91 brought the craft beer to India and many people saw the acceptance for the product suddenly breweries were being set up to monetize and ride the trend Bira had started.



ARBOR BREWING COMPANY

TOUTED AS INDIA'S FIRST  
AMERICAN CRAFT BREWERY,  
ARBOR



WHITE RHINO BREWING COMPANY

WHITE RHINO IS A FIRM  
BELIEVER OF THE WHOLESOME  
GOODNESS OF LOCAL  
INGREDIENTS



KATI PATANG

KATI PATANG IS KNOWN FOR  
BREWING ITS BEER WITH  
SPARKLING CLEAR, PURE  
HIMALAYAN SPRING WATER



KINGFISHER WHIT BEER

UNITED BREWERIES LAUNCHES  
FIRST CRAFT BEER KINGFISHER  
ULTRA WITBIER

# regional volume performance FY22 Vs FY21

**Overall Growth (+76%)**

## **North (+56%)**

North growth primarily led by Andhra Pradesh and Madhya Pradesh, Delhi and Haryana

## **East (+162%)**

East growth primarily led by: Uttar Pradesh, NESA and West Bengal

## **West (+24%)**

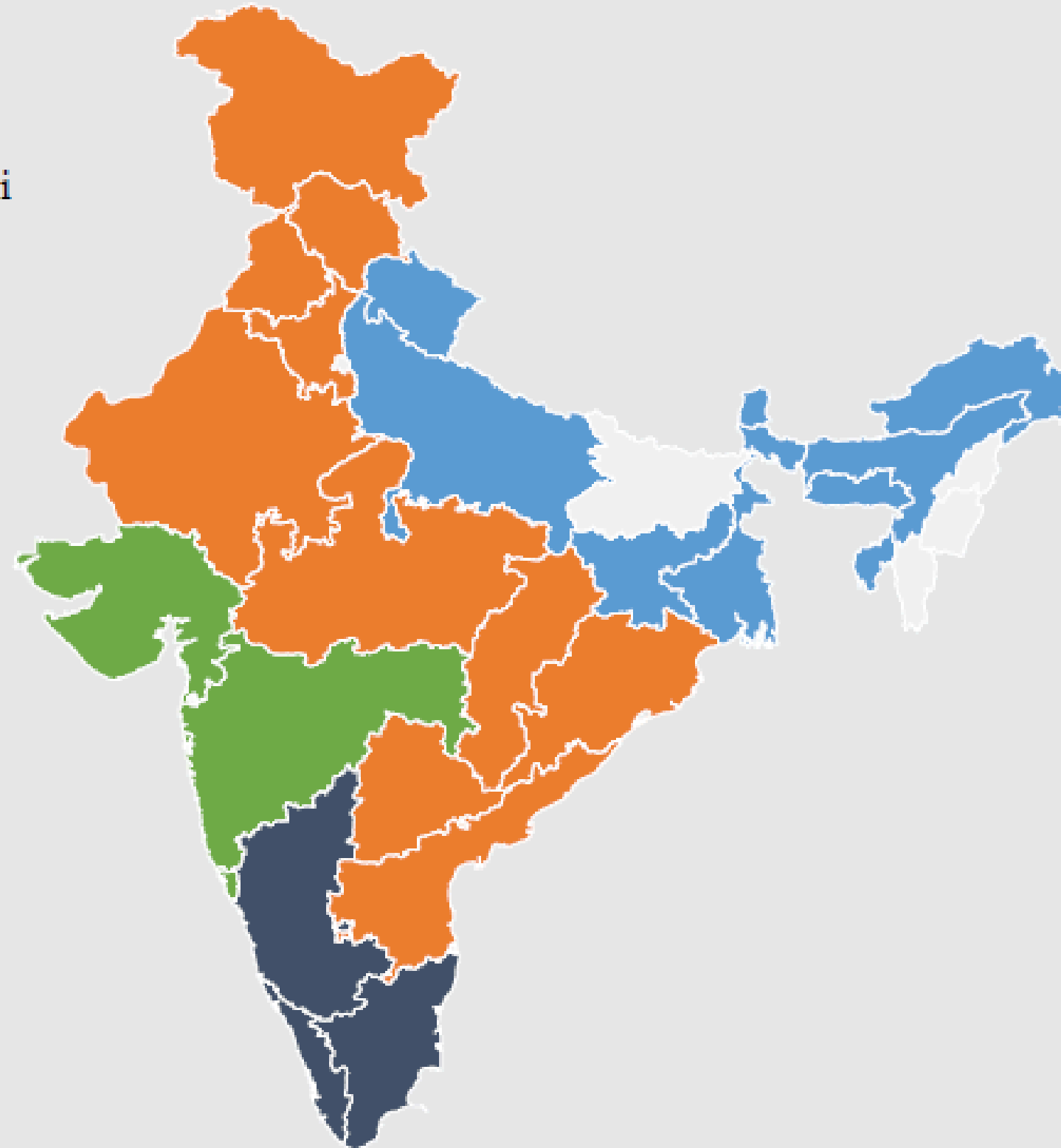
West growth primarily led by Maharashtra and Goa

## **South (+51%)**

South growth primarily led by Karnataka and Kerala

## **International (+59%)**

Primarily led by U.S.A., Hongkong, and Singapore



# VALUATION

ACCORDING TO THE LAST ROUND IN WHICH KIRIN HOLDINGS' INVESTED \$30 MILLION FOR 10% STAKE, BIRA WAS VALUED AT ~\$300 MILLION (~INR 2330 CR), JANUARY 2021

HOW THE UNLISTED MARKETS HAVE VALUED THE COMPANY??

SHARE CAPITAL - RS 44.25 CR

FV PER SHARE - RS 10/SH

NO OF SHARES - 4.425 CR

CMP - 815

VALUATION OF THE COMPANY - ~RS 3600 CR







# THANK YOU

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[nikunj@altiusinvestech.com](mailto:nikunj@altiusinvestech.com)





To,  
The Board of Directors,  
**B9 Beverages Limited**  
Premise No. 106, Second Floor Block H,  
Connaught Circus  
New Delhi - 110001 India

**Subject: Report on fair value of Equity Shares of B9 Beverages Limited on June 30, 2023.**

I have been engaged by B9 Beverages Limited (hereinafter referred to as “**the Company**”) for the purpose of providing an opinion on the fair value of Equity Shares as of June 30, 2023, having its registered office situated at Premise No. 106, Second Floor Block H, Connaught Circus, New Delhi-110001, India, for internal management purposes (“**Transaction**”) using latest available financials as on June 30, 2023 (“**Valuation Date**”) and management certified projected financials for 5 (Five) financial years starting from FY 2023-24 (9 Months) to ending FY 2027-28.

Based on the information provided by the management, I, Siddharth Gupta Registered Valuer (REG. No. IBBI/RV/11/2019/11261), hereby provide my opinion that the “fair value” (“Valuation” or “Value”) of each equity share of the Company as on June 30, 2023, should be **INR 716.94/- (Indian Rupees Seven Hundred Sixteen and Paise Ninety-Four Only)**. Further, this opinion of fair value is subject to the scope of services and the standards of limitation as mentioned to this report. Company is unable to provide the financial modelling in detail, so my report is subject to the information provided to me. I am unable to arrive my opinion based on complete financial modelling in detail. My present opinion is based only on the information provided to us by the management. The detailed valuation report including computation of fair value of the equity shares of the Company has been attached.

The detailed valuation report including computation of fair value of the equity shares of the Company has been attached.

**Siddharth Gupta,**  
**Registered Valuer**

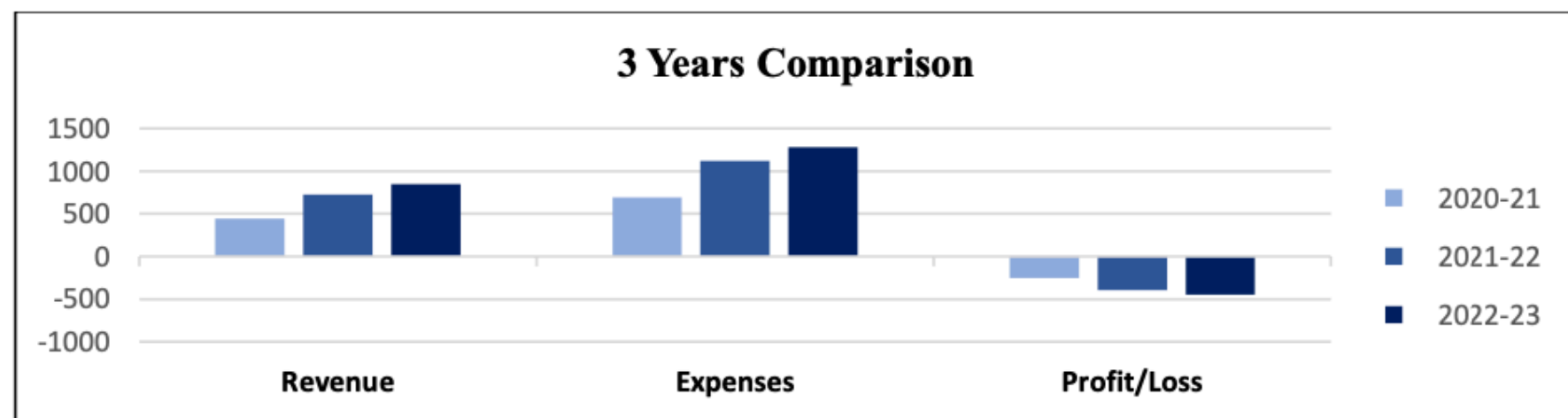
**Valuation report  
price by Bira -  
717 per share**

**The names of the proposed allottees and the percentage of post preferential offer capital that may be held by them: -**

Sr. No.	Name of the person/ Entity and address	Status (Resident/ Non-Resident)	No. of Shares Held post issue	Percentage of post preferential offer capital held by them	Email ID
01.	Jaideep Hansraj	Resident	30,489	0.05%	<a href="mailto:jaideep.hansraj@kotak.com">jaideep.hansraj@kotak.com</a> .
02.	Naveen Sangari	Resident	1,76,557	0.28%	<a href="mailto:snaveen20@yahoo.com">snaveen20@yahoo.com</a> .
03.	PDK Impex Private Limited	Resident	52,107	0.08%	<a href="mailto:anilkhandella@hotmail.com">anilkhandella@hotmail.com</a> .
04.	Anoop Prakash Sharma Family Trust	Resident	39,773	0.06%	<a href="mailto:anoop.p.sharma@outlook.com">anoop.p.sharma@outlook.com</a> .
05.	B. S. Sons	Resident	16,121	0.03%	<a href="mailto:ambani@theambagroup.com">ambani@theambagroup.com</a> .
06.	Surendra Reddy	Resident	12,100	0.02%	<a href="mailto:rsr1931@gmail.com">rsr1931@gmail.com</a> .
07.	Indira Constructions	Resident	21,966	0.03%	<a href="mailto:ravi.prakash@gvk.com">ravi.prakash@gvk.com</a> .
08.	Saira Viaan Trading LLP	Resident	6,370	0.01%	<a href="mailto:amit.jain@harteX.in">amit.jain@harteX.in</a> .
09.	Kois Holdings	Non-Resident	77,164	0.12%	<a href="mailto:parag.valdya@koisinvest.com">parag.valdya@koisinvest.com</a> .
10.	Dharampal Satyapal Limited	Resident	2,01,012	0.32%	<a href="mailto:pradeep.jain@dsigroup.com">pradeep.jain@dsigroup.com</a> .

\* On a fully diluted basis.

3 Years Comparison (FY2020-21 to FY 2022-23)			
	2020-21	2021-22	2022-23
Revenue	₹ 442.86 Cr	₹ 726.47 Cr	₹ 848.71 Cr
Expenses	₹ 694.37 Cr	₹ 1122.50 Cr	₹ 1282.60 Cr
Profit/Loss	- ₹251.51 Cr	- ₹396.06 Cr	- ₹445.48 Cr



Revenue Breakdown			
Particulars	2020-21	2021-22	2022-23
Operating Revenue	₹ 430.76 Cr	₹ 718.85 Cr	₹ 824.32 Cr
Other Revenue	₹ 12.09 Cr	₹ 7.62 Cr	₹ 24.39 Cr
Total Revenue	₹ 442.86 Cr	₹ 726.47 Cr	₹ 848.71 Cr

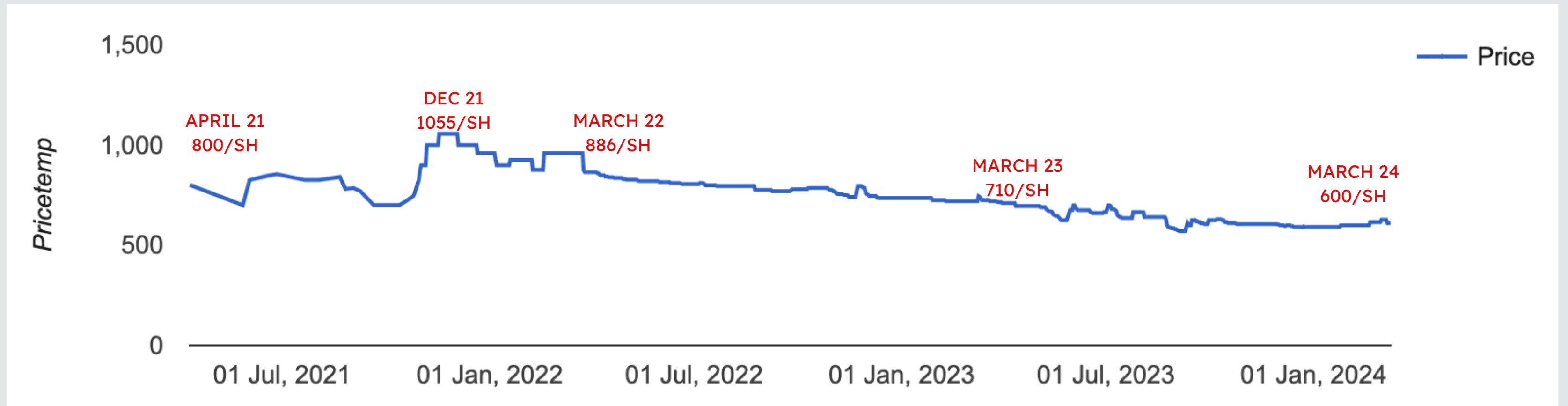
Financial Ratios	2021	2022	2023
Operating Profit Margin	-24.39	-24.13	-29.12
Net Profit Margin	-49.34	-46.68	-54.04
Earning Per Share (Diluted)	-159.22	-69.51	-79.56



# Funding Details

Date	Investor	Amount
Feb 2024	\$25M (200 cr)	Tiger Pacific Capital
May 2023	\$10M (INR 80 cr)	MUFG Bank
November 2022	\$70M (INR 560 cr)	Kirin Holdings
October 2022	\$226M (INR 1800 cr)	

Recent Funding of Tiger Capital done at a valuation of 5000 crores



BIRA UNLISTED SHARES WERE INTRODUCED INTO THE UNLISTED MARKET IN APRIL-21 AT A PRICE OF 800 PER SHARE AND THE STOCK MADE A HIGH OF 1055 PER SHARE IN DECEMBER 2021. SINCE THEN BIRA UNLISTED SHARES HAS REMAINED A BIT SUBDUED IN TERMS OF STOCK PERFORMANCE AND HAS FACED A CORRECTION OF AROUND 45% FROM THE HIGHS OF 1055 IT MADE IN DECEMBER 2021.