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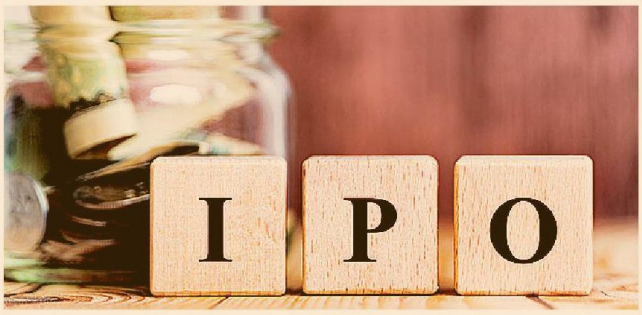
Officer's Choice whiskey maker plans IPO at $2.5-billion valuation



ANTO ANTONY & BAIJU KALESH
21 November

Allied Blenders & Distillers Pvt, an Indian spirits manufacturer, is considering an initial public offering (IPO) that could raise as much as $300 million next year, according to people familiar with the situation.

The maker of "Officer's Choice" whiskey has initiated talks with advisers and is seeking a valuation of at least $2.5 billion, the people said, asking not to be identified as the information is private. The company is planning to file preliminary documents as soon as the first quarter of 2022, the people said.

No final decision has been reached regarding the valuation or timing of the potential IPO, and Allied Blenders could still decide against proceeding with the plan, they said. A representative for the company declined to comment.

The Mumbai-based distiller will be joining a slew of Indian businesses considering local IPOs next year. State-backed Life Insurance Corp of India and Flipkart Online Services, an e-commerce firm controlled by Walmart, are among those preparing for first-time share sales.

Allied Blenders sells spirits ranging from whiskey and rum to brandy and vodka across 29 countries, according to its website. It owns nine bottling units, one distilling facility and over 20 outsourced manufacturing sites, the website shows. BLOOMBERG

Riding on innovation, Old Monk eyes record 10 mn sales next year

SHINE JACOB
Chennai, 21 December

With innovations such as the introduction of new variants and the launch of tetra packs, Mohan Meakin (MML) aims to achieve a record high sales of around 10 million units of Old Monk in 2022.

From almost 3 million units a few years ago, sales volume has rebounded substantially. "Today, we are over 8 million units and are targeting record sales of 10 million next year," said Vinay Mohan, the director of Mohan Meakin (MML).

Mohan said the company had started giving franchisees in states where tetra packs have good sales. This is the second time that the company is trying its luck in the segment. "We had once done in Karnataka, now we have re-launched it."

According to Mohan, the size of the rum market in India is above 50 million units. There were speculations that the brand was set to come out with a sachet pack, which he denied.

Though Old Monk was the market leader till the early 2000s, it lost to aggressive marketing by brands like McDowell's No. 1 Celebration. Mohan expects Old Monk sales, which contributes around 70 per cent to the company's topline, to grow 50-60 per cent in the next three years.

The company also started the sale of beer brand Old Monk 10000 (American Malt Liquor) in August. "It was never popular in the North. We have just launched it in the premium segment and got a very favourable response," he said.

The company has a minimal ad spending of ₹2 crore per year. "For a brand like Old Monk, advertisement is not required. It is still one of the largest brands exported out of the country," said Rocky Mohan, a promoter family member.

The firm sells 0.5 million cases in the global market. "Today in all the airports, we are the number one seller. We have our products available in all the countries," he said.

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