motilal oswal Financial Services

29 July 2026
1QFY27 Results Update | Sector: Consumer

Radico Khaitan

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	586 / 6.1
52-Week Range (INR)	4350 / 2500
1, 6, 12 Rel. Per (%)	12/67/65
12M Avg Val (INR M)	1371

Financials & Valuations (INR b)

Y/E March	2026	2027E	2028E
Sales	60.5	70.4	80.0
Sales Gr. (%)	25	16	14
EBITDA	10.2	14.0	16.5
Margin (%)	16.9	19.9	20.6
PAT	6.1	9.0	11.0
EPS (INR)	45.3	67.3	81.9
EPS Gr. (%)	76	49	22
BV/Sh.(INR)	243	297	362
Ratios			
RoE (%)	18.7	22.7	22.6
RoCE (%)	20.3	26.3	28.7
Payout (%)	8.8	20.0	20.0
Valuations			
P/E (x)	96.5	64.9	53.4
P/BV (x)	18.0	14.7	12.1
EV/EBITDA (x)	57.4	41.7	35.0

Shareholding Pattern (%)

As On	Jun-26	Mar-26	Jun-25
Promoter	40.2	40.2	40.2
DII	28.1	27.4	26.0
FII	18.2	17.6	17.8
Others	13.5	14.8	16.0

FII includes depository receipts

CMP: INR4,374 TP: INR5,000 (+14%) Buy

Growth excitement continues; positive revision in guidance

- Radico Khaitan (RDCK) continued to deliver robust P&A volume growth and strong operating performance in 1QFY27. Revenue grew 12% YoY to INR16.8b, with P&A value growth at 36%, while the regular portfolio declined 15%. P&A sustained industry-leading performance, with volumes surging 36% YoY to 5.2m cases (est: 4.6m). The regular portfolio's volumes declined 15% YoY to ~4.6m cases due to a high base (led by AP-route-to-market change in the base) and the impact of policy changes in Karnataka and Maharashtra. Non-IMFL revenue declined 3% due to lower bulk alcohol sales.
- RDCK raised its FY27 P&A volume growth guidance to >25% (vs. 20% earlier), reflecting strong momentum in the premium portfolio. Management highlighted that Karnataka's excise policy is favorable for premium brands, with RDCK's P&A volumes growing 83% in 1QFY27 compared to 9% industry growth. In Maharashtra, MML volumes have stabilized at 0.6–0.7m cases, with the company holding a 7–8% market share through its JV, Radico NV Distilleries Maharashtra Limited (RNVDML). The company is targeting a 10-15% market share in the category over the medium term.
- GM expanded 610bp YoY to 49.1% (the highest in the last 21 quarters), driven by favorable raw material costs (+75bp), pricing (+75bp), and premiumization, partly offset by INR300m of higher packaging costs. EBITDA surged 50% YoY (est. 38%), while EBITDA margin expanded 530bp YoY to 20.7% (at an all-time high). Management upgraded its EBITDA margin guidance to 20% for FY27 (earlier 18.5%). Premiumization, operating efficiencies, and FTA are likely to support margin expansion. We model 19.9% and 20.6% EBITDA margins for FY27 and FY28.
- We continue to remain positive on RDCK, given its strong growth trajectory in the P&A segment and strategic expansion into premium and luxury portfolios. The luxury segment is witnessing strong growth, generating INR4.7b in revenue in FY26. It is expected to deliver >25% growth in FY27. With a continued focus on premiumization, operating leverage, and broad-based geographic expansion, RDCK has delivered industry-leading growth. We believe the rich valuations are well-justified by its continued strong performance. We reiterate our BUY rating with a TP of INR5,000.

Robust 50% EBITDA growth; exciting guidance upgrade

- **Double-digit sales growth continues:** Standalone net sales continued the healthy growth momentum, increasing 12% YoY to INR16.8b (est. INR17.2b) in 1QFY27. P&A volumes grew 36% YoY to 5.2m cases (est: 4.6m), while overall IMFL volumes grew 3% YoY (est. 9%). Regular portfolio volumes declined 15% YoY to 4.6m cases on a high base (52% in 1QFY26), led by the elevated base of 1QFY26 following the route-to-market change in Andhra Pradesh and the impact of policy changes in Maharashtra and Karnataka. Meanwhile, Royalty cases declined 63% YoY to 0.2m cases. IMFL revenue growth stood at 18% YoY, led by the premium portfolio. Non-IMFL revenue

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declined 3% YoY, driven by higher captive consumption and lower bulk alcohol sales in 1QFY27.

- **EBITDA rose by a solid 50% YoY:** Gross margin expanded 610bp YoY (+110bp QoQ) to 49.1% (the highest in the last 21 quarters), backed by a relatively benign raw material scenario (RM benefit + 75bp YoY) and premiumization. This was despite recent volatility in packing material prices, which impacted RDCK by ~INR300m. Despite the West Asia crisis, RDCK remains confident of its margin expansion trajectory in FY27. Employee costs rose 24%, other expenses rose 7%, while S&D rose 23% YoY. Management highlighted that A&SP was 6.9% of IMFL sales in 1QFY27 compared to 5.8% in 1QFY26. It expects to maintain A&SP spend at around 6-8% of IMFL revenue. EBITDA margin expanded 530bp YoY to 20.7% (the highest ever), benefiting from robust GM expansion.
- **Strong growth in profitability:** EBITDA rose by a robust 50% YoY (est. 38%). Interest costs declined 27% YoY, driven by a reduction in debt. Net debt reduced to INR1.06b (vs INR2.4b in 4QFY26), implying a reduction of INR1.38b since March 2026. The company aims to become net debt-free by 2QFY27. PBT and APAT grew 63%/61% YoY in 1QFY27.

Highlights from the management commentary

- Vodka's share in the Indian spirits industry increased from 4.6% in 1QFY26 to 6.0% in 1QFY27. The category expanded at over 20% CAGR during FY22-26, significantly ahead of the broader IMFL industry.
- Magic Moments recorded 3.25m cases in 1Q, delivering 43% YoY volume growth, while value growth stood at 51%. The growth was led by consumer demand, with no channel loading.
- With the Indian-UK FTA agreement, management expects retail prices to decline 7-8%, limiting the competitive impact.
- Annual maintenance capex is expected to remain at INR1.5–1.7b.

Valuation and view

- We raise our EPS estimates by 11% for FY27 and 8% for FY28, backed by continued strong volume growth and a beat on margins.
- Management remains committed to steadily reducing its debt, supported by healthy free cash flow generation. Net debt has declined INR1.38b since Mar'26, with INR1.06b of debt remaining as of Jun’26. Management targets a net debt-free balance sheet by 2QFY27.
- RDCK remains focused on accelerating premium and luxury growth, while driving greater efficiency across operations with disciplined capital allocation.
- The company’s P&A sales were ~15% of UNSP’s P&A sales in FY19. This share has now increased to ~30% (as of FY26), and we expect it to further expand going forward. The valuation gap with UNSP has narrowed significantly, reflecting market recognition of RDCK’s brand strength and execution capabilities.
- RDCK is currently trading at 65x/53x FY27E/FY28E P/E, with an RoE/RoIC of 23%/26% in FY27E. We believe a ~34% EPS CAGR over FY26-28E provides adequate support for sustaining rich valuations. We value the company at 60x P/E on Mar’28E EPS to derive a TP of INR5,000.

Standalone Quarterly Performance												(INR m)
Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
IMFL volume growth %	**37.5**	**37.7**	**16.6**	**4.0**	**2.9**	**6.1**	**10.5**	**18.8**	**22.2**	**9.5**	**9.0**	
P&A volume growth (%)	**40.7**	**21.6**	**25.9**	**27.9**	**35.9**	**25.0**	**25.0**	**34.6**	**28.5**	**30.0**	**20.0**	
Regular volume growth (%)	**51.8**	**79.4**	**32.8**	**-10.2**	**-14.9**	**-10.0**	**-5.0**	**4.2**	**31.0**	**-6.8**	**2.0**	
Total revenues	**15,060**	**14,939**	**15,467**	**15,037**	**16,837**	**16,572**	**18,287**	**18,755**	**60,504**	**70,450**	**17,206**	**-2%**
YoY change (%)	32.5	33.8	19.5	15.3	11.8	10.9	18.2	24.7	24.7	16.4	14.2	
Gross Profit	**6,477**	**6,520**	**7,194**	**7,218**	**8,268**	**8,037**	**8,778**	**9,438**	**27,409**	**34,520**	**8,001**	**3%**
Margin (%)	*43.0*	*43.6*	*46.5*	*48.0*	*49.1*	*48.5*	*48.0*	*50.3*	*45.3*	*49.0*	*46.5*	
EBITDA	**2,322**	**2,376**	**2,672**	**2,845**	**3,489**	**3,136**	**3,466**	**3,893**	**10,215**	**13,984**	**3,198**	**9%**
Margins (%)	*15.4*	*15.9*	*17.3*	*18.9*	*20.7*	*18.9*	*19.0*	*20.8*	*16.9*	*19.9*	*18.6*	
EBITDA growth (%)	*55.8*	*45.6*	*45.2*	*60.2*	*50.3*	*32.0*	*29.7*	*36.8*	*51.6*	*36.9*	*37.8*	
Depreciation	363	374	372	422	412	415	420	430	1,530	1,677	410	
Interest	159	163	164	154	117	120	100	106	640	443	140	
Other income	47	24	26	58	54	40	40	41	154	175	50	
PBT	**1,846**	**1,863**	**2,162**	**2,327**	**3,014**	**2,641**	**2,986**	**3,398**	**8,199**	**12,039**	**2,698**	**12%**
Tax	443	474	515	576	754	663	749	858	2,008	3,024	677	
Rate (%)	24.0	25.4	23.8	24.7	25.0	25.1	25.1	25.2	24.5	25.1	25.1	
Extraordinary inc/(Exp)	-70	0	-96	0	0	0	0	0	-166	0	0	
Reported PAT	**1,473**	**1,390**	**1,742**	**1,752**	**2,260**	**1,978**	**2,237**	**2,540**	**6,356**	**9,015**	**2,021**	**12%**
Adj.PAT	**1,403**	**1,390**	**1,647**	**1,752**	**2,260**	**1,978**	**2,237**	**2,540**	**6,066**	**9,015**	**2,021**	**12%**
YoY change (%)	83.9	69.1	71.6	93.1	61.1	42.4	35.8	45.0	75.7	48.6	44.0	

E: MOFSL Estimate

Key operational metrics

Revenue Split (Rs Mn)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
P&A	4,995	5,780	6,479	6,148	7,132	7,184	8,383	7,937	9,700
Regular	2,363	1,766	2,294	3,440	3,499	3,228	2,952	2,945	2,893
Royalty	96	93	158	104	65	62	62	104	32
IMFL	**7,454**	**7,639**	**8,931**	**9,692**	**10,696**	**10,474**	**11,397**	**10,986**	**12,625**
Non IMFL	**3,911**	**3,523**	**4,011**	**3,349**	**4,364**	**4,465**	**4,070**	**4,050**	**4,212**
Total	**11,365**	**11,162**	**12,942**	**13,041**	**15,060**	**14,939**	**15,467**	**15,036**	**16,837**
Rev Growth YoY (%)									
P&A	19%	18%	25%	22%	43%	24%	29%	29%	36%
Regular	-15%	-12%	15%	101%	48%	83%	29%	-14%	-17%
Royalty	25%	16%	58%	-16%	-32%	-33%	-61%	0%	-51%
IMFL	**6%**	**9%**	**22%**	**41%**	**43%**	**37%**	**28%**	**13%**	**18%**
Non IMFL	**57%**	**56%**	**-7%**	**-14%**	**12%**	**27%**	**1%**	**21%**	**-3%**
Total	**19%**	**21%**	**11%**	**21%**	**33%**	**34%**	**20%**	**15%**	**12%**

IMFL Volume details (Mn Cases)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27
Prestige & Above	2.7	3.2	3.7	3.4	3.8	3.9	4.6	4.4	5.2
Regular	3.6	2.8	3.5	5.3	5.4	5.0	4.7	4.8	4.6
Royalty	0.8	0.8	1.2	0.5	0.5	0.4	0.4	0.4	0.2
Total	**7.1**	**6.8**	**8.4**	**9.1**	**9.7**	**9.4**	**9.8**	**9.5**	**10.0**
Chg YoY (%)									
Prestige & Above	14%	13%	18%	16%	41%	22%	26%	28%	36%
Regular	-14%	-12%	13%	78%	52%	79%	33%	-10%	-15%
Royalty	-7%	-16%	14%	-65%	-40%	-46%	-63%	-9%	-63%
Total	**-4%**	**-2%**	**15%**	**27%**	**37%**	**38%**	**17%**	**4%**	**3%**

Highlights from the management commentary

Operating environment

- **Management upgraded its FY27 P&A volume growth guidance to >25% (vs. earlier 20%), supported by strong premiumization trends.**
- Regular volume declined 15% due to a higher base of 1QFY26 after the change in the route-to-market in Andhra Pradesh, and the impact of policy change in Maharashtra and Karnataka.
- **Net debt has declined by INR1.38bn since Mar'26, with management targeting a net debt-free balance sheet by 2QFY27.**
- Capital allocation will continue to remain disciplined, with capex focused primarily on maintenance, operational efficiency, and essential capacity optimization.
- Following the announcement of a minimum 20% dividend payout policy, management indicated that any future increase in shareholder payouts will be evaluated after the company achieves its debt-free status.
- Annual maintenance capex is expected to remain at INR1.5–1.7b.
- The company remains open to acquisitions only if it creates a meaningful shareholder value, while emphasizing that it has historically delivered growth through organic expansion rather than acquisitions.
- Management estimates that while luxury spirits account for only ~3% of industry volumes, they contribute roughly double that share in value terms (~6%), reflecting the category's premium pricing.
- RDCK's brands are now available in over 100 countries, with its international strategy focused on building brands rather than merely exporting volumes.
- Exports currently contribute ~5–6% to total volumes.

Brand Performance

- **Management reiterated its guidance of 25% value growth for the luxury portfolio in FY27 and indicated that the business is on track to achieve the target. Luxury portfolio generated ~INR4.75b revenue in FY26.**
- Royal Ranthambore received encouraging consumer response for its limited-edition "Roy Pack", which celebrates India's six legendary tigers and reinforces the brand's premium positioning while supporting wildlife conservation.
- 8PM Premium Black gained market share during the quarter, aided by its partnership with Sunrisers Hyderabad during the IPL season, which enhanced brand visibility and consumer engagement.
- The newly introduced contemporary packaging for After Dark Whisky is expected to strengthen the brand's premium appeal and support market share gains in India's largest whisky segment.
- After Dark delivered ~50% volume growth in FY26, crossing 3m cases. The launch of After Dark Blue is a packaging refresh rather than a product reformulation, based on extensive consumer research aimed at enhancing the brand's premium appeal. The refreshed packaging has been initially launched in Uttar Pradesh, where the company has received encouraging consumer feedback.
- Morpheus Whisky has been launched across 10–12 states in the highly competitive upper prestige whisky segment. Initial consumer response has been

encouraging, with positive traction observed in several markets; however, management expects the brand-building journey to take time given the competitive intensity.

- Radico plans to introduce new vodka flavors during FY27.
- The company also plans to launch its tequila brand during FY27, further expanding its premium portfolio.
- Management clarified that there are no plans to launch a flavored brandy in India at present, although flavored brandy products are already available in certain international markets.
- The company also stated that it is not currently evaluating the ready-to-drink (RTD) category for the domestic market.

Cost and margins

- Gross margin expanded 610bp YoY and 110bp QoQ to 49.1% in 1QFY27, supported by a benign raw material environment and ongoing premiumization.
- Raw material costs contributed 75bp to GM expansion, partially offset by ~INR300m impact from higher packaging material prices.
- Price hikes implemented during the quarter contributed approximately 75bp to gross margin expansion.
- Management remains confident of sustaining its margin expansion trajectory in FY27, despite monitoring geopolitical risks and input cost volatility.
- **The company expects to deliver an EBITDA margin of ~20% in FY27, driven by an increasing contribution from premium and luxury brands.**
- A&P spend increased to 6.9% of IMFL sales in 1QFY27 from 5.8% in 1QFY26, reflecting higher brand investments. Management expects A&SP spend to remain in the 6-8% of IMFL revenue.
- Despite geopolitical uncertainties and supply chain disruptions, the company expanded operating margins through a richer product mix, disciplined cost management, and operational efficiencies.
- The non-IMFL business generated EBITDA margins of 11–11.5% during the quarter. Historically, it used to delivered 8–11%.
- Based on the consolidated EBITDA margin of 20.7%, management indicated that the IMFL business generated EBITDA margins of over 23%.
- RDCK's total ENA requirement (IMFL and non-IMFL combined) is ~280–300m liters, while its captive capacity, including the Rampur plant and JV, stands at ~330mn liters. Due to logistics cost, the company sells excess ENA from Uttar Pradesh while procuring ENA in Southern and Eastern markets, where transportation is more economical.

India UK FTA

- Management believes it is too early to assess the impact of the India-UK FTA on competitive dynamics.
- Even if imported Scotch players pass on the entire duty benefit, management estimates retail prices would decline by only 7–8%, limiting the competitive impact.

- RDCK's premium offerings, particularly Rampur Double Cask, are already positioned at a premium price point (around INR8,000–8,500) vs many competing imported brands.

State Policy

- Management highlighted that Karnataka's recent excise policy changes are progressive, particularly the rationalization of pricing for premium brands. The previous round of premium pricing rationalization (around 18 months ago) led to ~28% growth in the premium category, while RDCK's premium portfolio grew at roughly 2x the category rate.
- Following the latest policy changes, the P&A category grew 9% in 1QFY27, while RDCK's Prestige & Above portfolio surged 83%, significantly outperforming the market.
- Management attributed the strong performance to its broad premium portfolio, including Rampur Single Malt, Jaisalmer Gin, Sangam World Malt, Indian Virasat, Royal Ranthambore, Morpheus Brandy, Magic Moments and After Dark.
- Tamil Nadu remains a brandy-dominated market, where Morpheus Brandy already enjoys a strong position in the premium segment.
- After change in Andhra Pradesh policy, the company's market share increased to 26%.
- In Maharashtra, MML has been stabilized at 0.6-0.7m cases, and the company holds a 7-8% market share.

Vodka category

- Management believes the Indian vodka category has entered a multi-year structural growth phase, supported by changing consumer preferences, favorable demographics, premiumization, and evolving consumption occasions.
- The Vodka category has expanded at over 20% CAGR during FY22-26, significantly ahead of the broader IMFL industry.
- Vodka's share in the Indian spirits industry increased from 4.6% in 1QFY26 to 6.0% in 1QFY27.
- Vodka accounts for ~28% of the global spirits market; penetration in India remains relatively low, offering significant long-term growth potential.
- Vodka now contributes 75% of RDCK's premium brand volumes, up from 65% last year.
- Management also highlighted that the category offers superior unit economics due to lower production costs and significant premiumization opportunities.
- Magic Moments maintained its leadership position with over 60% market share in the vodka category and an even stronger presence in its core price segment.
- **The brand reported a record 3.25m cases, delivering 43% YoY volume growth, while value growth stood at 51%. The growth is led by consumer demand, with no channel loading.**
- Management attributed the strong performance to flavor-led innovation, strong consumer acceptance, and continued premium product launches.

Exhibit 1: Overall volume growth was 3% YoY, reaching 10m cases in 1QFY27

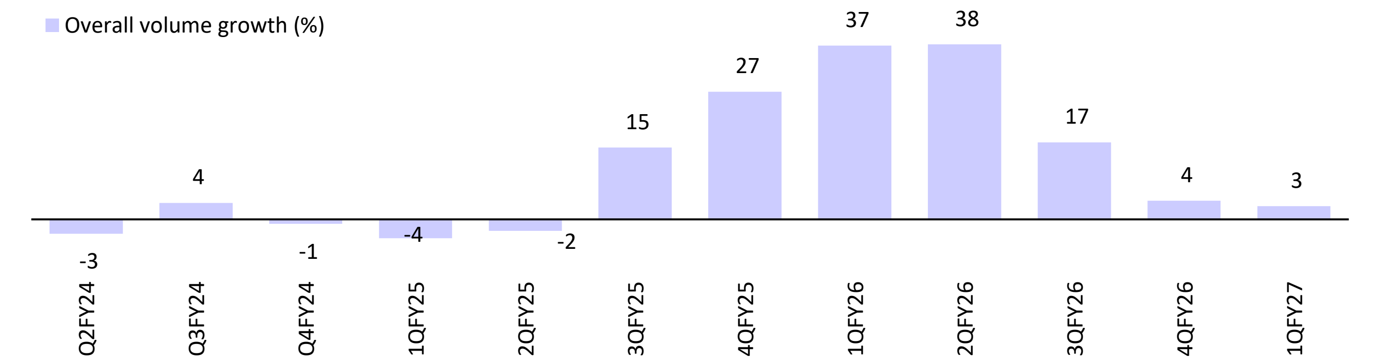


Exhibit 2: P&A volumes (%) grew 36% YoY in 1QFY27

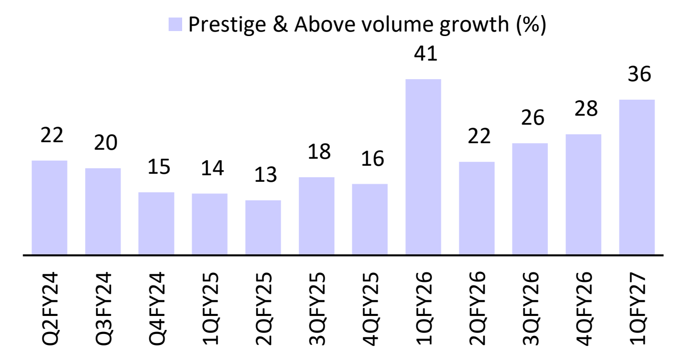


Exhibit 3: Regular volumes (%) declined 15% YoY in 1QFY27

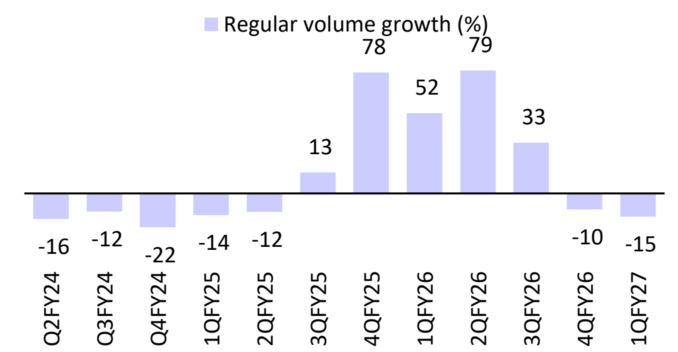


Exhibit 4: Value growth in P&A stood at 36% YoY

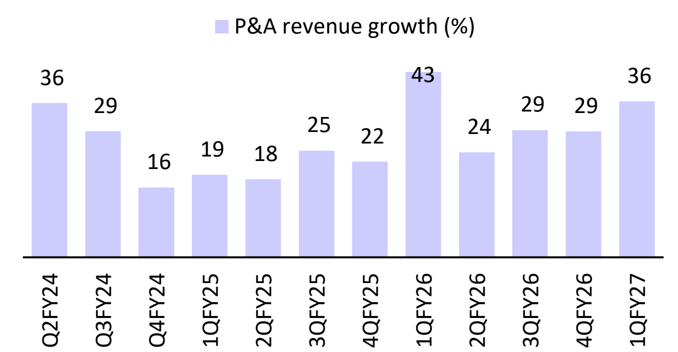


Exhibit 5: Regular sales declined 17% YoY in 4QFY26

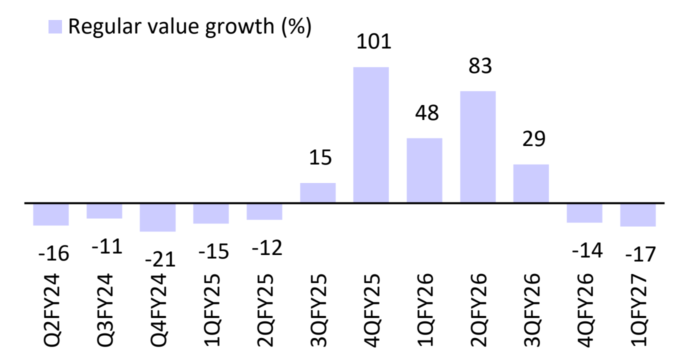
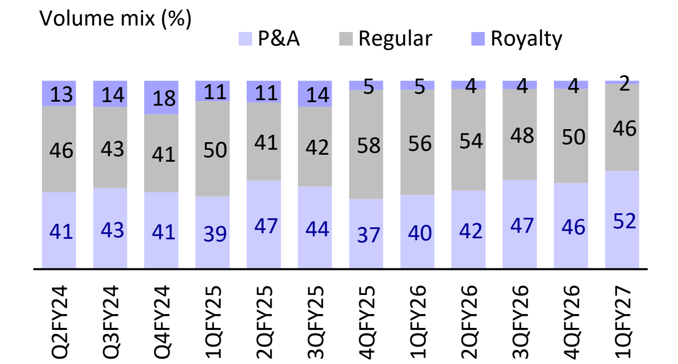
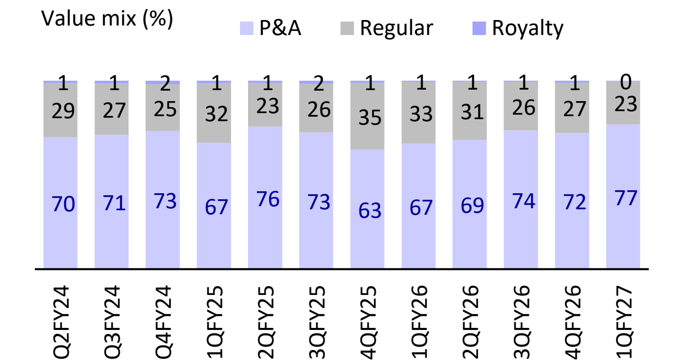


Exhibit 6: Contribution of P&A volumes stood at 52%...



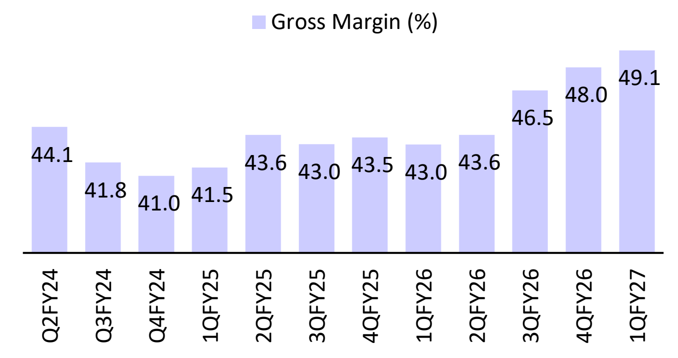
Source: Company, MOFSL

Exhibit 7: ...while that of value stood at 77%



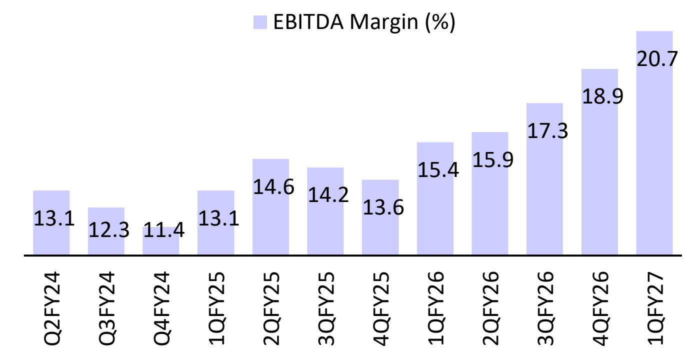
Source: Company, MOFSL

Exhibit 8: Gross margin expanded 610bp YoY to 49.1%



Source: Company, MOFSL

Exhibit 9: EBITDA margin expanded 530bp YoY to 20.7% in 1QFY27



Source: Company, MOFSL

Valuation and view

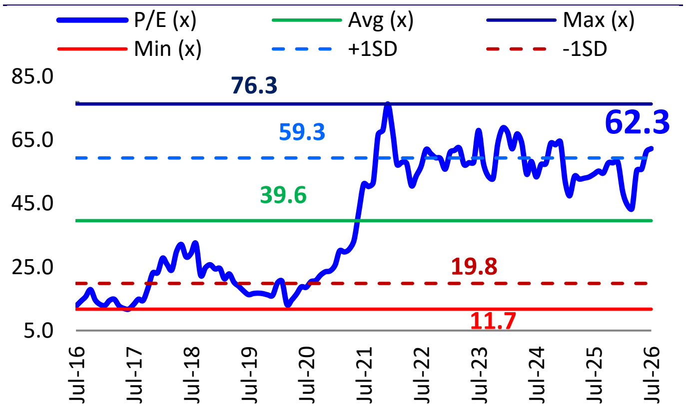
- We raise our EPS estimates by 11% for FY27 and 8% for FY28 on the back of continued strong volume growth and a beat on margins.
- RDCK's management remains committed to steadily reducing its debt, supported by healthy free cash flow generation. Net debt has declined by INR1.38b since Mar'26, with INR1.06b remaining as of Jun'26. Management is targeting a net debt-free balance sheet by 2QFY27.
- RDCK remains focused on accelerating the premium and luxury growth, while driving greater efficiency across operations with disciplined capital allocation.
- The company's P&A sales were ~15% of UNSP's P&A sales in FY19. This share has now increased to ~30% (as of FY26), and we expect it to further expand going forward. The valuation gap with UNSP has narrowed significantly, reflecting market recognition of RDCK's brand strength and execution.
- RDCK is currently trading at 65x/53x FY27E/FY28E P/E, with a RoE/RoIC of 23%/26% in FY27E. We believe a ~34% EPS CAGR over FY26-28E provides adequate support for sustaining rich valuations. We value the company at 60x P/E on Mar'28E EPS to derive a TP of INR5,000.

Exhibit 10: We raise our EPS estimates by 11% for FY27 and 8% for FY28

	New		Old		Change (%)	
	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Net sales	70,450	79,999	70,279	79,775	0.2	0.3
EBITDA	13,984	16,480	12,721	15,357	9.9	7.3
APAT	9,015	10,963	8,108	10,164	11.2	7.9

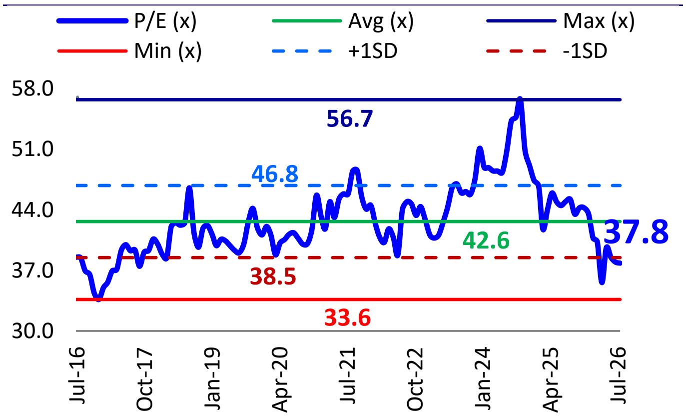
Source: Company, MOFSL

Exhibit 11: RDCK P/E



Source: Company, MOFSL

Exhibit 12: Consumer P/E



Source: Company, MOFSL

Financials and valuations

Income Statement - Standalone (INR m)

Radico Khaitan	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Gross revenue	**94,179**	**1,05,040**	**1,24,705**	**1,27,439**	**1,54,839**	**1,70,985**	**2,09,764**	**2,44,245**	**2,77,350**
Excise duty	69,909	81,052	96,025	96,011	1,13,654	1,22,474	1,49,260	1,73,795	1,97,351
Net Revenue	**24,270**	**23,988**	**28,680**	**31,428**	**41,185**	**48,512**	**60,504**	**70,450**	**79,999**
Change (%)	15.7	-1.2	19.6	9.6	31.0	17.8	24.7	16.4	13.6
Gross Profit	**11,714**	**11,964**	**12,906**	**13,149**	**17,520**	**20,773**	**27,409**	**34,520**	**39,799**
Margin (%)	48.3	49.9	45.0	41.8	42.5	42.8	45.3	49.0	49.8
EBITDA	**3,718**	**4,089**	**4,022**	**3,584**	**5,061**	**6,737**	**10,215**	**13,984**	**16,480**
Change (%)	7.5	10.0	-1.6	-10.9	41.2	33.1	51.6	36.9	17.8
Margin (%)	15.3	17.0	14.0	11.4	12.3	13.9	16.9	19.9	20.6
Depreciation	525	539	649	709	1,138	1,401	1,530	1,677	1,773
Int. and Fin. Charges	316	220	131	221	591	738	640	443	266
Other Income	92	201	110	94	89	49	154	175	200
Profit before Taxes	**2,969**	**3,531**	**3,352**	**2,748**	**3,420**	**4,646**	**8,199**	**12,039**	**14,641**
Change (%)	5.6	18.9	-5.1	-18.0	24.5	35.8	76.5	46.8	21.6
Margin (%)	12.2	14.7	11.7	8.7	8.3	9.6	13.6	17.1	18.3
Tax	452	825	831	704	863	1,194	2,008	3,024	3,678
Tax Rate (%)	15.2	23.4	24.8	25.6	25.2	25.7	24.5	25.1	25.1
Adjusted PAT	**2,312**	**2,706**	**2,521**	**2,044**	**2,558**	**3,452**	**6,066**	**9,015**	**10,963**
Change (%)	25.9	17.0	-6.8	-18.9	25.1	35.0	75.7	48.6	21.6
Margin (%)	9.5	11.3	8.8	6.5	6.2	7.1	10.0	12.8	13.7

Balance Sheet (INR m)

Radico Khaitan	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Share Capital	267	267	267	267	267	268	268	268	268
Reserves	14,938	17,372	19,601	21,253	23,506	26,643	32,234	39,446	48,217
Net Worth	**15,205**	**17,639**	**19,868**	**21,520**	**23,774**	**26,910**	**32,502**	**39,714**	**48,484**
Loans	3,989	2,734	1,899	6,968	7,371	6,307	3,318	1,133	33
Deferred Tax Liabilities	785	802	769	777	919	985	1,125	1,125	1,125
Capital Employed	**19,979**	**21,175**	**22,536**	**29,265**	**32,064**	**34,202**	**36,946**	**41,972**	**49,642**
Lease liability	0	148	117	569	813	1,198	1,666	1,940	2,203
Net Fixed Assets	**7,434**	**8,099**	**8,206**	**12,130**	**16,570**	**17,666**	**18,661**	**18,494**	**18,231**
Capital WIP	181	378	303	3,269	542	235	749	749	749
Investments	1,554	1,554	1,354	1,354	1,354	1,354	1,743	1,743	1,743
Curr. Assets, L&A	**15,435**	**15,900**	**17,548**	**19,878**	**21,861**	**26,508**	**27,907**	**35,128**	**44,961**
Inventory	3,742	4,891	5,369	7,154	7,797	10,768	11,656	14,889	17,106
Account Receivables	8,231	6,975	7,558	8,241	9,782	11,822	11,896	14,289	16,417
Cash and Bank	182	1,300	1,089	1,308	1,000	571	877	1,900	6,841
Others	3,280	2,735	3,533	3,176	3,283	3,346	3,478	4,049	4,598
Curr. Liab. and Prov.	**4,625**	**4,608**	**4,758**	**6,798**	**7,450**	**10,363**	**10,448**	**12,202**	**13,839**
Account Payables	2,642	2,619	3,043	2,749	2,670	3,125	3,257	3,912	4,495
Other Liabilities	1,344	1,818	1,548	3,843	4,578	6,988	6,899	7,950	8,959
Provisions	639	171	168	206	202	250	291	339	385
Net Current Assets	**10,810**	**11,293**	**12,790**	**13,080**	**14,410**	**16,145**	**17,459**	**22,926**	**31,122**
Application of Funds	**19,979**	**21,175**	**22,536**	**29,265**	**32,064**	**34,202**	**36,946**	**41,972**	**49,642**

Financials and valuations

Ratios

Radico Khaitan	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)									
EPS	**17.3**	**20.3**	**18.9**	**15.3**	**19.1**	**25.8**	**45.3**	**67.3**	**81.9**
Cash EPS	13.1	16.2	14.0	10.0	10.6	15.3	33.6	54.8	68.6
BV/Share	113.9	132.1	148.6	161.0	177.8	201.1	242.7	296.6	362.1
DPS	2.0	2.4	3.0	3.0	3.0	4.0	4.0	13.5	16.4
Payout %	11.6	11.8	15.9	19.6	15.7	15.5	8.8	20.0	20.0
Valuation (x)									
P/E	252.5	215.8	231.8	285.9	228.6	169.5	96.5	64.9	53.4
Cash P/E	333.7	269.5	312.1	437.7	411.7	285.3	130.2	79.8	63.7
EV/Sales	24.1	24.3	20.4	18.7	14.3	12.1	9.7	8.3	7.2
EV/EBITDA	157.6	142.8	145.2	164.3	116.5	87.5	57.4	41.7	35.0
P/BV	38.4	33.1	29.4	27.2	24.6	21.7	18.0	14.7	12.1
Dividend Yield (%)	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4
Return Ratios (%)									
RoE	15.2	15.3	12.7	9.5	10.8	12.8	18.7	22.7	22.6
RoCE	13.9	13.6	11.6	7.5	9.4	11.7	18.1	22.3	22.5
RoIC	16.6	16.0	13.9	10.2	11.4	13.1	20.3	26.3	28.7
Working Capital Ratios									
Creditor (Days)	40	40	39	32	24	24	20	20	21
Inventory (Days)	56	74	68	83	69	81	70	77	78
Debtor (Days)	124	106	96	96	87	89	72	74	75
Cash conversion cycle	140	141	126	147	132	146	122	131	132
Asset Turnover (x)	1.2	1.1	1.3	1.1	1.3	1.4	1.6	1.7	1.6
Leverage Ratio									
Debt/Equity (x)	0.3	0.2	0.1	0.3	0.3	0.2	0.1	0.0	0.0

Cash Flow Statement (INR m)

Radico Khaitan	2020	2021	2022	2023	2024	2025	2026	2027E	2028E
Profit before tax	2,727	3,531	3,316	2,747	3,420	4,646	8,033	12,039	14,641
Non-operating & EO Items	219	-111	33	40	72	12	49	-175	-200
Depreciation and Amort.	525	539	649	709	1,138	1,401	1,530	1,677	1,773
Interest Paid	316	220	131	221	591	738	640	443	266
Direct Taxes Paid	-854	-739	-912	-719	-726	-904	-1,796	-3,024	-3,678
Incr/Decr in WC	-2,337	330	-1,006	-612	-2,667	-2,274	-1,038	-4,445	-3,255
CF from Operations	**597**	**3,770**	**2,212**	**2,386**	**1,829**	**3,621**	**7,419**	**6,515**	**9,547**
Interest income	56	72	50	26	45	38	84	175	200
(Incr)/Decr in FA	-697	-891	-670	-7,045	-2,392	-1,726	-2,378	-1,510	-1,510
Free Cash Flow	**-100**	**2,879**	**1,542**	**-4,659**	**-563**	**1,894**	**5,041**	**5,005**	**8,037**
(Pur)/Sale of Investments	0	0	200	13	1	0	1	0	0
Other investing items	-44	-6	-665	-35	-28	14	-360	0	0
CF from Invest.	**-686**	**-825**	**-1,085**	**-7,042**	**-2,374**	**-1,674**	**-2,652**	**-1,335**	**-1,310**
Issue of Shares	13	4	12	0	37	90	88	0	0
Incr/Decr in Debt	633	-1,269	-846	5,545	1,339	-1,064	-2,989	-2,186	-1,100
Dividend Paid	-193	-267	-321	-401	-401	-401	-535	-1,803	-2,193
Others	-358	-295	-183	-270	-737	-999	-1,025	-169	-3
CF from Fin. Activity	**95**	**-1,828**	**-1,338**	**4,874**	**237**	**-2,374**	**-4,462**	**-4,158**	**-3,296**
Incr/Decr of Cash	**6**	**1,117**	**-211**	**219**	**-308**	**-428**	**306**	**1,023**	**4,941**
Add: Opening Balance	177	182	1,300	1,089	1,308	1,000	571	877	1,900
Closing Balance	**182**	**1,300**	**1,089**	**1,308**	**1,000**	**571**	**877**	**1,900**	**6,841**

E: MOFSL Estimates

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