1 August 2025
1QFY26 Results Update | Sector: Consumer

Radico Khaitan

Estimate change	↑
TP change	↑
Rating change	↔

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	380 / 4.3
52-Week Range (INR)	2941 / 1628
1, 6, 12 Rel. Per (%)	14/15/68
12M Avg Val (INR M)	709

Financials & Valuations (INR b)

Y/E March	2026E	2027E	2028E
Sales	60.3	69.6	79.6
Sales Gr. (%)	24	15	14
EBITDA	9.1	11.1	13.1
Margin (%)	15.1	15.9	16.5
PAT	5.4	6.9	8.5
EPS (INR)	40.1	51.4	63.2
EPS Gr. (%)	55	28	23
BV/Sh.(INR)	233	274	325
Ratios			
RoE (%)	17.2	18.7	19.5
RoCE (%)	17.5	20.0	22.4
Payout (%)	20.0	20.0	20.0
Valuations			
P/E (x)	70.9	55.3	44.9
P/BV (x)	12.2	10.4	8.7
EV/EBITDA (x)	42.0	34.3	28.7

Shareholding Pattern (%)

As On	Jun-25	Mar-25	Jun-24
Promoter	40.2	40.2	40.3
DII	26.0	26.8	24.5
FII	17.8	16.9	18.8
Others	16.0	16.0	16.4

FII includes depository receipts

CMP: INR2,839 TP: INR3,250 (+15%) Buy

Robust underlying growth aided by AP

- Radico Khaitan reported strong revenue growth of 32% YoY (est. 22%) in 1QFY26, with total volume growing 37% (beat). The Prestige & Above (P&A) segment clocked volume and value growth of 41% and 43%. Regular segment posted 48% value growth and 52% volume growth, aided by a low base, resolution of state-specific issues, and route-to-market changes in Andhra Pradesh (Oct'24). Excluding AP, total volume growth stood at ~12%, with P&A volume growth at ~20%. The market share in AP increased sharply from 10% in 1HFY25 to 28% in 1QFY26. Non-IMFL delivered moderate revenue growth of 12% due to lower bulk alcohol sales.
- Luxury and semi-luxury brands delivered nearly 50% value growth YoY, led by a strong consumer uptake and successful premiumization, with Royal Ranthambore revenue growing 90%. The company remains on track to achieve its FY26 target of INR5,000m in revenue from this segment.
- Gross margin expanded 150bp YoY to 43% (est. 43.5%), led by ongoing premiumization and stable RM prices. EBITDA margin expanded 230bp YoY to 15.4% (est. 14.3%), led by operating leverage. The company has revised its margin expansion guidance upward to 125-150bp annually for the next three years (vs. 100bp earlier), aiming to reach high-teens margins. We model 16% and 16.5% EBITDA margins for FY27 and FY28.
- Radico has delivered healthy returns (17%) since our initiation in May'25 (IC report), where we highlighted its strong growth trajectory in the P&A segment and its strategic expansion into premium and luxury portfolios—segments that continue to exhibit strong industry volume growth. With industry-leading growth, we believe rich valuations will sustain. We reiterate a BUY rating with a TP of INR3,250 (based on 60x Jun'27 P/E)

Robust volume growth; all-round beat

- **Strong volume growth:** Standalone net sales rose 32% YoY to INR15.1b (est. INR13.8b) in 1QFY26. Total volume increased 37%, with P&A volume rising 41% YoY (16% in 4Q) to 3.8m cases (est. 3.2m cases) and Regular volume rising 52% YoY to 5.4m cases. Royalty cases declined 40% YoY to 0.46m cases, now part of the P&A and Regular segments. Regular segment's growth was aided by a low base, resolution of state-specific issues, and route-to-market changes in Andhra Pradesh. Non-IMFL's revenue remained muted due to lower bulk alcohol sales.
- **Margin expansion:** Gross margin expanded 150bp YoY to 43%, driven by ongoing premiumization and a stable raw material environment. Management remains optimistic on the stability of ENA and grain prices in FY26. Employee costs rose 10%, S&D increased 48%, and other expenses increased 23% YoY. EBITDA margin rose 230bp YoY to 15.4%.
- **Strong growth in profitability:** EBITDA/PBT/APAT grew 56%/82%/84% YoY in 1QFY26. An exceptional item of INR699m relates to the settlement of a demand raised by the Municipal Council of Rampur for reassessed House and Water Tax covering the period from Apr'19 to Mar'31.

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Highlights from the management commentary

- Radico expects Scotch imports worth INR2500m in FY26, and projects imports to exceed INR4,000m in three years.
- Annual capex guidance for the next two years stands at INR1,500m-1,600m, focused on malt infrastructure and brand development.
- Marketing spends are maintained at 7-8% of turnover, with a growing focus on digital media, on-trade promotions, and experiential branding.
- Morpheus Super Premium Whiskey, which marks Radico's entry into the 17m-case super-premium segment, has seen a strong initial response and will be launched in 10 states, covering 70% of the market.
- Spirit of Kashmir, a luxury vodka brand aimed at competing with international offerings, is positioned for global scale-up and premium consumer appeal.

Valuation and view

- We raised our EPS estimates by 10% for FY26 and 9% for FY27 on strong volume growth and beat in EBITDA margin.
- Radico's debt is likely to decline steadily, supported by healthy free cash flow generation. The company has already reduced debt by INR1,640mn since Mar'25.
- Radico continues to deliver strong growth in its P&A segment, with premiumization remaining a key structural driver. The luxury and semi-luxury portfolio grew ~50% YoY in 1QFY26, supported by new launches and rising consumer demand.
- The valuation gap with UNSP has narrowed significantly, reflecting market recognition of Radico's brand strength and execution. Despite past margin pressures, the company's ability to sustain premium-led volume growth makes it a compelling long-term story.
- Radico is currently trading at 71x/55x FY26E/FY27E P/E, with a RoE/RoIC of ~19%/20% in FY27E. We believe a ~30% EPS CAGR provides adequate support for sustaining rich valuations. We value the company at 60x P/E on Jun'27E EPS to derive a TP of INR3,250.

Radico Khaitan (Standalone) (INR m)

Y/E March	FY25				FY26E				FY25	FY26E	FY26E	Var.
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE			1QE	(%)
IMFL volume growth %	**-4.1**	**-2.4**	**15.5**	**27.5**	**37.5**	**17.8**	**6.6**	**27.1**	**9.2**	**21.9**	**22.6**	
P&A volume growth (%)	**14.2**	**12.7**	**18.0**	**16.4**	**40.7**	**22.0**	**18.0**	**27.2**	**15.5**	**26.1**	**17.0**	
Regular volume growth (%)	**-14.0**	**-11.9**	**13.5**	**78.1**	**51.8**	**25.0**	**5.0**	**26.6**	**13.3**	**27.2**	**35.0**	
Total revenues	**11,365**	**11,163**	**12,942**	**13,041**	**15,060**	**13,569**	**15,023**	**16,683**	**48,512**	**60,335**	**13,830**	**9%**
YoY change (%)	19.1	20.7	11.5	20.9	32.5	21.6	16.1	27.9	17.8	24.4	21.7	
Gross Profit	**4,720**	**4,870**	**5,568**	**5,669**	**6,477**	**5,902**	**6,580**	**7,329**	**20,773**	**26,288**	**6,016**	**8%**
Margin (%)	*41.5*	*43.6*	*43.0*	*43.5*	*43.0*	*43.5*	*43.8*	*43.9*	*42.8*	*43.6*	*43.5*	
EBITDA	**1,490**	**1,632**	**1,840**	**1,776**	**2,322**	**2,090**	**2,238**	**2,453**	**6,737**	**9,102**	**1,978**	**17%**
Margins (%)	*13.1*	*14.6*	*14.2*	*13.6*	*15.4*	*15.4*	*14.9*	*14.7*	*13.9*	*15.1*	*14.3*	
EBITDA growth (%)	*24.7*	*34.6*	*28.8*	*45.0*	*55.8*	*28.1*	*21.7*	*38.1*	*33.1*	*35.1*	*32.7*	
Depreciation	329	357	356	360	363	365	365	378	1,401	1,471	360	
Interest	185	167	195	215	159	155	155	132	738	602	180	
Other income	37	11	11	14	47	30	25	23	49	125	25	
PBT	**1,014**	**1,118**	**1,299**	**1,215**	**1,846**	**1,600**	**1,743**	**1,966**	**4,646**	**7,155**	**1,463**	**26%**
Tax	251	297	339	308	443	401	438	514	1,194	1,796	367	
Rate (%)	24.7	26.5	26.1	25.3	24.0	25.1	25.1	26.1	25.7	25.1	25.1	
Extraordinary inc/(Exp)	0	0	0	0	-70	0	0	0	0	0	0	
Reported PAT	**763**	**822**	**960**	**907**	**1,473**	**1,198**	**1,306**	**1,452**	**3,452**	**5,359**	**1,096**	**34%**
Adj.PAT	**763**	**822**	**960**	**907**	**1,403**	**1,198**	**1,306**	**1,452**	**3,452**	**5,359**	**1,096**	**28%**
YoY change (%)	20.7	32.8	30.0	59.7	83.9	45.8	36.1	60.1	35.0	55.3	43.5	

E: MOFSL Estimate

Key operational metrics

Revenue Split (Rs Mn)	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26
P&A	2,989	3,611	4,025	4,336	4,195	4,897	5,197	5,035	4,995	5,780	6,479	6,148	7,132
Regular	2,944	2,411	2,250	2,175	2,783	2,014	1,997	1,715	2,363	1,766	2,294	3,440	3,499
Royalty	46	78	72	77	77	80	100	124	96	93	158	104	65
IMFL	**5,979**	**6,100**	**6,347**	**6,588**	**7,055**	**6,991**	**7,294**	**6,874**	**7,454**	**7,639**	**8,931**	**9,692**	**10,696**
Non IMFL	***1,596***	***1,513***	***1,575***	***1,729***	***2,484***	***2,260***	***4,315***	***3,912***	***3,911***	***3,523***	***4,011***	***3,349***	***4,364***
Total	***7,575***	***7,613***	***7,922***	***8,317***	***9,539***	***9,251***	***11,609***	***10,786***	***11,365***	***11,162***	***12,942***	***13,041***	***15,060***
Rev Growth YoY (%)													
P&A	*37%*	*25%*	*19%*	*18%*	*40%*	*36%*	*29%*	*16%*	*19%*	*18%*	*25%*	*22%*	*43%*
Regular	*18%*	*-11%*	*-19%*	*-26%*	*-5%*	*-16%*	*-11%*	*-21%*	*-15%*	*-12%*	*15%*	*101%*	*48%*
Royalty	*318%*	*225%*	*177%*	*185%*	*67%*	*3%*	*39%*	*61%*	*25%*	*16%*	*58%*	*-16%*	*-32%*
IMFL	***28%***	***9%***	***2%***	***-1%***	***18%***	***15%***	***15%***	***4%***	***6%***	***9%***	***22%***	***41%***	***43%***
Non IMFL	***23%***	***9%***	***15%***	***16%***	***56%***	***49%***	***174%***	***126%***	***57%***	***56%***	***-7%***	***-14%***	***12%***
Total	***27%***	***9%***	***5%***	***2%***	***26%***	***22%***	***47%***	***30%***	***19%***	***21%***	***11%***	***21%***	***33%***
IMFL Volume details (Mn Cases)													
Prestige & Above	1.9	2.3	2.6	2.6	2.4	2.8	3.1	2.9	2.7	3.2	3.7	3.4	3.8
Regular	4.5	3.8	3.5	3.8	4.2	3.2	3.1	3.0	3.6	2.8	3.5	5.3	5.4
Royalty	0.5	1.0	0.9	0.9	0.8	0.9	1.0	1.3	0.8	0.8	1.2	0.5	0.5
Total	**6.8**	**7.2**	**7.0**	**7.2**	**7.4**	**7.0**	**7.2**	**7.2**	**7.1**	**6.8**	**8.4**	**9.1**	**9.7**
Chg YoY (%)													
Prestige & Above	30%	22%	14%	17%	27%	22%	20%	15%	14%	13%	18%	16%	41%
Regular	9%	-13%	-23%	-23%	-7%	-16%	-12%	-22%	-14%	-12%	13%	78%	52%
Royalty	586%	587%	480%	493%	73%	-10%	16%	44%	-7%	-16%	14%	-65%	-40%
Total	**22%**	**11%**	**0%**	**-1%**	**8%**	**-3%**	**4%**	**-1%**	**-4%**	**-2%**	**15%**	**27%**	**37%**

CONFERENCE CALL

Highlights from the management commentary

Operating environment

- The Indian alcoholic beverages industry is witnessing a structural shift from traditional consumption to lifestyle-driven demand, supported by rising affluence and changing consumer preferences.
- The company is well-placed to benefit from this trend through its strategy of premiumization, innovation, and deepening market penetration.
- State excise policies remain favorable in key markets like Uttar Pradesh and Andhra Pradesh, encouraging presence across price segments.
- In Maharashtra, consumer prices are expected to rise due to duty changes, but the company believes state policies typically evolve to protect revenues, as seen previously in Karnataka.
- If the contribution from Andhra Pradesh is excluded, the company’s overall IMFL volume growth in 1QFY26 would have been approximately 12% YoY.
- In the P&A segment, volume growth excluding Andhra Pradesh would have been in the range of 15%-20% YoY in 1QFY26.
- The company expects the low base benefit from AP to continue through 2QFY26 and partly into 3QFY26, after which growth should normalize.

State-Specific

- In Andhra Pradesh, Radico’s market share improved significantly from 10% in 1HFY25 to 28% in 1QFY26, the highest in the industry.
- Maharashtra contributed only 4-5% of volumes and did not experience any pre-buying ahead of duty changes.

- The company does not expect any material impact on profitability from the Maharashtra duty changes.
- In Karnataka, the contribution of premium brands increased sharply from 4% to 15% YoY, indicating improving consumer acceptance of higher-end offerings.
- Receivables from Telangana stand at INR900m, the lowest in the industry, and while clearance is slow, recent payments have been timely and the balance is expected to be recovered over time.

Brand Performance

- Radico's luxury and semi-luxury brands delivered nearly 50% YoY value growth in 1QFY26, reflecting strong consumer demand and successful premiumization.
- The company is on track to achieve its stated guidance of INR5,000m in revenue from luxury and semi-luxury brands in FY26.
- Royal Ranthambore whiskey delivered ~90% YoY growth and continues to gain traction among premium consumers.
- Magic Moments vodka posted 20% volume growth and retains 60% market share, reinforcing its leadership in the domestic vodka space.
- Volumes of After Dark whiskey, following repositioning and packaging improvements, have grown from 0.9m cases to 1.9m in FY25 and are expected to double again in FY26.
- After Dark is currently available in 14 states and will expand to 24 states over the next six months.
- Morpheus Super Premium Whiskey, Radico's entry into the 17m-case super-premium segment, has seen strong initial response and will be launched in 10 states covering 70% of the market.
- Spirit of Kashmir, a luxury vodka brand aimed at competing with international offerings, is positioned for global scale-up and premium consumer appeal.

Cost and margins

- Gross margin remained largely flat sequentially due to a higher share of bulk sales.
- Non-IMFL business grew 12% YoY and currently contributes margins of 6.5-7%, with scope for improvement due to easing grain and ENA prices.
- The company has revised its margin expansion guidance upward to 125-150bp annually for the next three years (vs. 100bps earlier), aiming to reach high-teens margins.

UK–India FTA

- The UK–India Free Trade Agreement has reduced import duty on bulk Scotch from 150% to 75%, with further reductions planned annually to reach 40% over 10 years.
- Radico expects Scotch imports worth INR2500m in FY26, and projects imports to exceed INR4,000m in three years.
- The reduction in duties will bring significant cost advantages and support the company's premium blend portfolio.

Capex and debt

- Annual capex guidance for the next two years stands at INR1,500-1,600m, focused on malt infrastructure and brand development.
- The recently commissioned Sitapur facility, the largest in Asia, ensures sufficient capacity for IMFL production and eliminates any constraints.
- Single malt capacity has been tripled, positioning the company to cater to future demand in the premium and luxury segments.
- The company reduced its net debt by INR1,640m since Mar'25. The debt reduction was primarily driven by strong profitability and improvement in working capital efficiency during the quarter.
- With only limited capex planned over the coming years, the company expects to be almost debt-free by FY27.

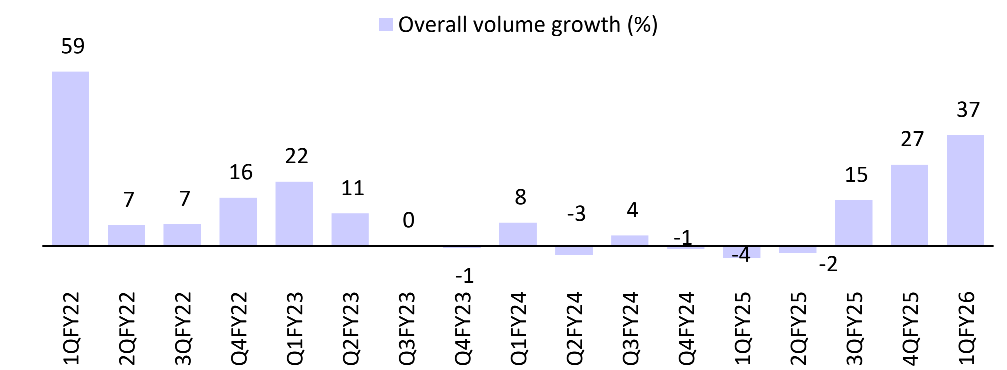
New launches and innovation

- Morpheus Super Premium Whiskey was launched to fill a portfolio gap in the high-growth super-premium segment, priced at INR150, above the nearest competitor.
- The blend for Morpheus includes Scotch malts and aged Indian grain spirits, positioned to compete at the top end of the market.
- Spirit of Kashmir was introduced as a luxury vodka brand with aspirations to compete globally and elevate India's presence in this category.

Marketing strategy

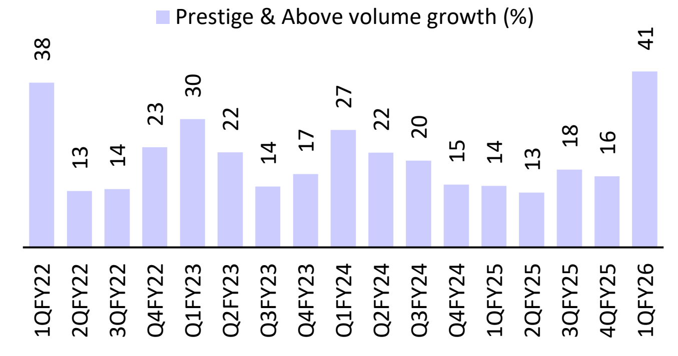
- Marketing spends are maintained at 7-8% of turnover, with a growing focus on digital media, on-trade promotions, and experiential branding.
- The company has undertaken high-impact branding campaigns across eight major airports including long-term visibility at Mumbai and Delhi.
- Radico's marketing strategy is customized at the state level, recognizing cultural and consumer behavior differences across regions.
- This localized approach, combined with aspirational brand building, is seen as a competitive advantage over peers.

Exhibit 1: Overall volume growth was 37% YoY, reaching 9.7m cases in 1QFY26



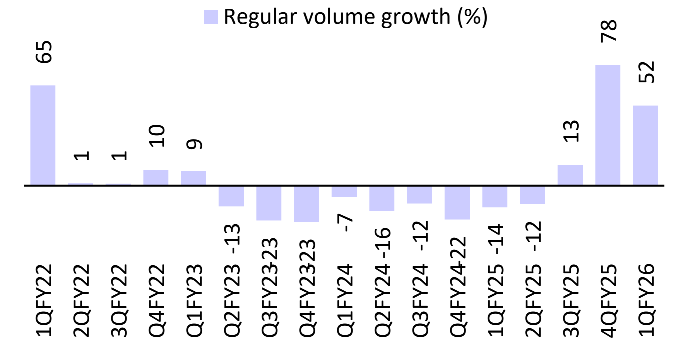
Source: Company, MOFSL

Exhibit 2: P&A volumes (%) grew 41% YoY in 1QFY26



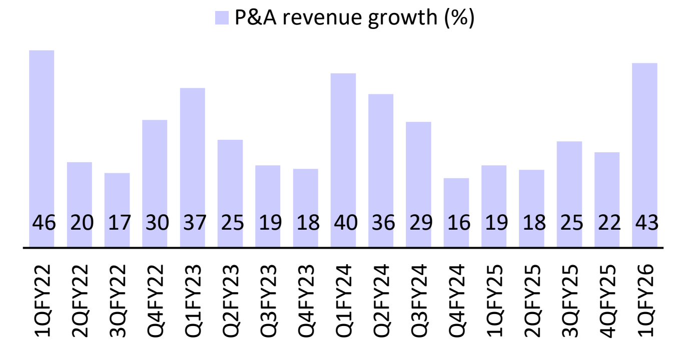
Source: Company, MOFSL

Exhibit 3: Regular volumes (%) grew 52% YoY in 1QFY26



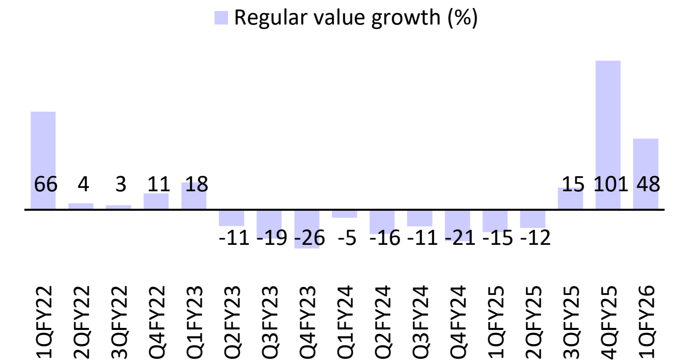
Source: Company, MOFSL

Exhibit 4: Value growth in P&A stood at 43% YoY



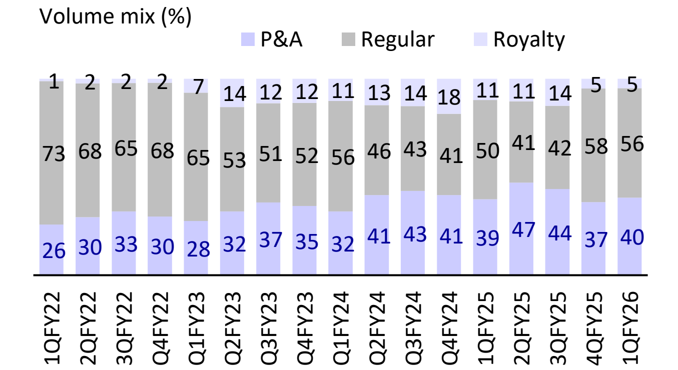
Source: Company, MOFSL

Exhibit 5: Regular sales up 48% YoY in 1QFY26



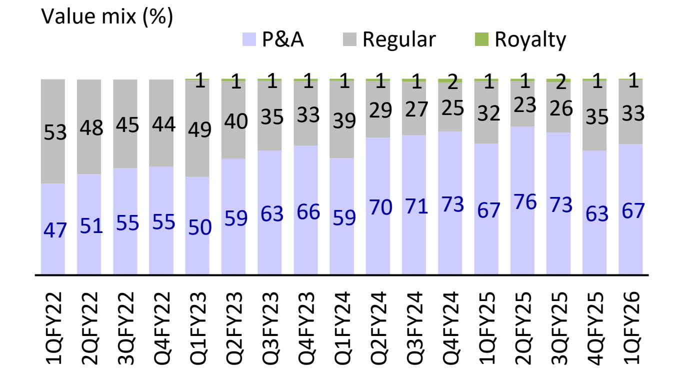
Source: Company, MOFSL

Exhibit 6: Contribution of P&A volumes stood at 40%...



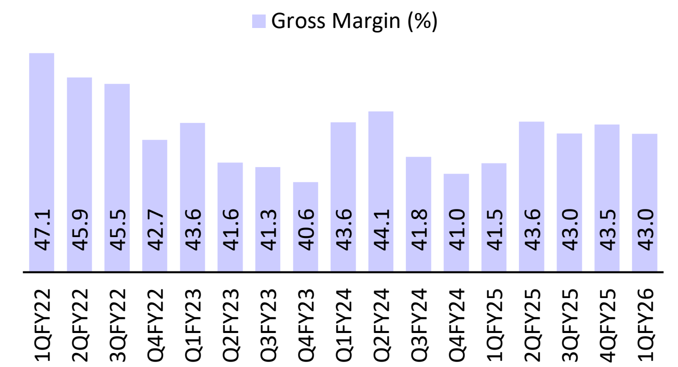
Source: Company, MOFSL

Exhibit 7: ...while that of value stood at 67%



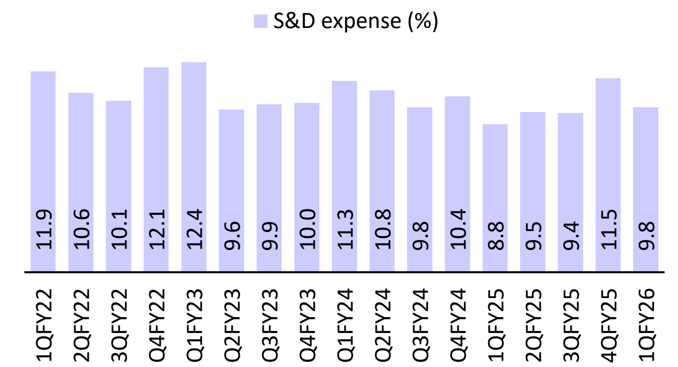
Source: Company, MOFSL

Exhibit 8: Gross margin expanded 150bp YoY to 43.0%



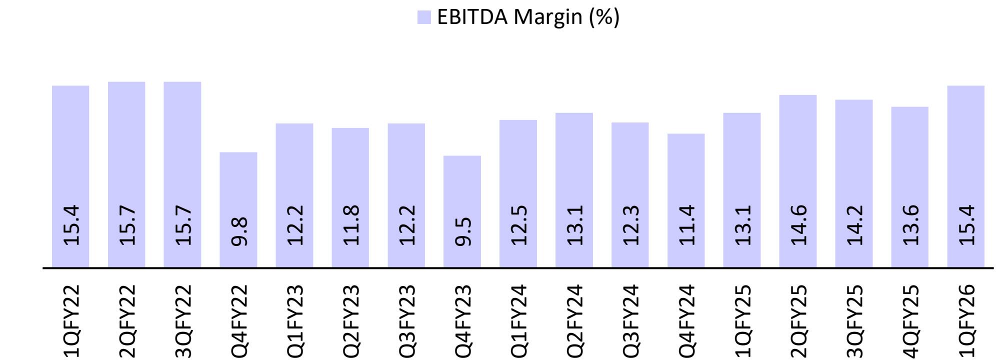
Source: Company, MOFSL

Exhibit 9: S&D spending up 48% YoY at 9.8% of sales



Source: Company, MOFSL

Exhibit 10: EBITDA margin expanded 230bp YoY to 15.4% in 1QFY26



Source: Company, MOFSL

Valuation and view

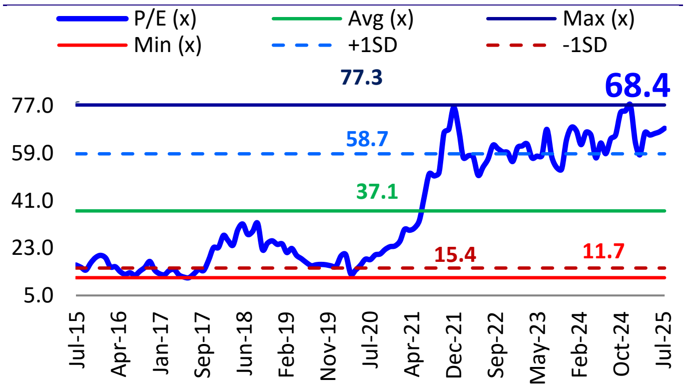
- We raised our EPS estimates by 10% for FY26 and 9% for FY27 on strong volume growth and beat in EBITDA margin.
- Radico's debt is likely to decline steadily, supported by healthy free cash flow generation. The company has already reduced debt by INR1,640mn since Mar'25.
- Radico continues to deliver strong growth in its P&A segment, with premiumization remaining a key structural driver. The luxury and semi-luxury portfolio grew ~50% YoY in 1QFY26, supported by new launches and rising consumer demand.
- The valuation gap with UNSP has narrowed significantly, reflecting market recognition of Radico's brand strength and execution. Despite past margin pressures, the company's ability to sustain premium-led volume growth makes it a compelling long-term story.
- Radico is currently trading at 71x/55x FY26E/FY27E P/E, with a RoE/RoIC of ~19%/20% in FY27E. We believe a ~30% EPS CAGR provides adequate support for sustaining rich valuations. We value the company at 60x P/E on Jun'27E EPS to derive a TP of INR3,250.

Exhibit 11: We raise our EPS estimates by 10% for FY26 and 9% for FY27

	New		Old		% Change	
	FY26E	FY27E	FY26E	FY27E	FY26E	FY27E
Total Income	60,335	69,635	57,405	66,703	5.1	4.4
EBITDA	9,102	11,072	8,488	10,353	7.2	6.9
Adjusted PAT	5,359	6,875	4,866	6,296	10.1	9.2

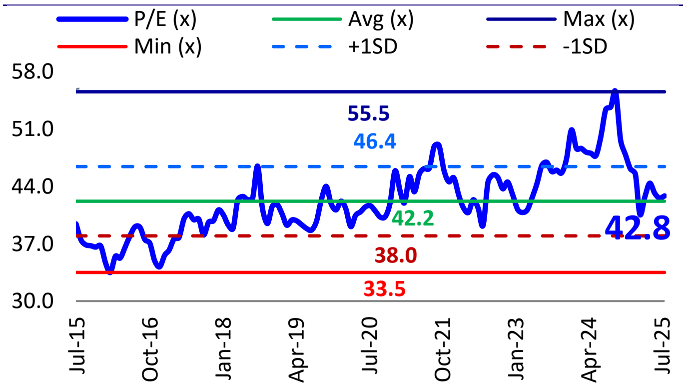
Source: Company, MOFSL

Exhibit 12: RDCK P/E



Source: Company, MOFSL

Exhibit 13: Consumer P/E



Source: Company, MOFSL

Financials and valuations

RK Income Statement - Standalone										(INR m)
Radico Khaitan	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Gross revenue	**80,580**	**94,179**	**1,05,040**	**1,24,705**	**1,27,439**	**1,54,839**	**1,70,985**	**2,12,658**	**2,45,437**	**2,80,515**
Excise duty	59,611	69,909	81,052	96,025	96,011	1,13,654	1,22,474	1,52,323	1,75,802	2,00,928
Net Revenue	**20,969**	**24,270**	**23,988**	**28,680**	**31,428**	**41,185**	**48,512**	**60,335**	**69,635**	**79,587**
Change (%)	15.0	15.7	-1.2	19.6	9.6	31.0	17.8	24.4	15.4	14.3
Gross Profit	**10,781**	**11,714**	**11,964**	**12,906**	**13,149**	**17,520**	**20,773**	**26,288**	**30,500**	**35,058**
Margin (%)	51.4	48.3	49.9	45.0	41.8	42.5	42.8	43.6	43.8	44.1
Other Expenditure	7,323	7,996	7,874	8,884	9,565	12,460	14,036	17,186	19,428	21,966
EBITDA	**3,459**	**3,718**	**4,089**	**4,022**	**3,584**	**5,061**	**6,737**	**9,102**	**11,072**	**13,092**
Change (%)	28.2	7.5	10.0	-1.6	-10.9	41.2	33.1	35.1	21.6	18.2
Margin (%)	16.5	15.3	17.0	14.0	11.4	12.3	13.9	15.1	15.9	16.5
Depreciation	424	525	539	649	709	1,138	1,401	1,471	1,586	1,676
Int. and Fin. Charges	355	316	220	131	221	591	738	602	457	343
Other Income	133	92	201	110	94	89	49	125	150	225
Profit before Taxes	**2,812**	**2,969**	**3,531**	**3,352**	**2,748**	**3,420**	**4,646**	**7,155**	**9,179**	**11,298**
Change (%)	50.2	5.6	18.9	-5.1	-18.0	24.5	35.8	54.0	28.3	23.1
Margin (%)	13.4	12.2	14.7	11.7	8.7	8.3	9.6	11.9	13.2	14.2
Tax	976	452	825	831	704	863	1,194	1,796	2,304	2,836
Tax Rate (%)	34.7	15.2	23.4	24.8	25.6	25.2	25.7	25.1	25.1	25.1
Exceptional items	0.0	241.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority Interest										
Reported PAT	**1,836**	**2,275**	**2,706**	**2,521**	**2,044**	**2,558**	**3,452**	**5,359**	**6,875**	**8,462**
Change (%)	48.7	23.9	18.9	-6.8	-18.9	25.1	35.0	55.3	28.3	23.1
Margin (%)	8.8	9.4	11.3	8.8	6.5	6.2	7.1	8.9	9.9	10.6
Adjusted PAT	**1,836**	**2,312**	**2,706**	**2,521**	**2,044**	**2,558**	**3,452**	**5,359**	**6,875**	**8,462**
Change (%)	48.7	25.9	17.0	-6.8	-18.9	25.1	35.0	55.3	28.3	23.1
Margin (%)	8.8	9.5	11.3	8.8	6.5	6.2	7.1	8.9	9.9	10.6

Balance Sheet										(INR m)
Radico Khaitan	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2027E**
Share Capital	267	267	267	267	267	267	268	268	268	268
Reserves	12,883	14,938	17,372	19,601	21,253	23,506	26,643	30,930	36,430	43,199
Minority Interest	0	0	0	0	0	0	0	0	0	0
Net Worth	**13,149**	**15,205**	**17,639**	**19,868**	**21,520**	**23,774**	**26,910**	**31,197**	**36,697**	**43,467**
Loans	3,233	3,989	2,734	1,899	6,968	7,371	6,307	4,307	2,607	1,307
Deferred Tax Liabilities	1,040	785	802	769	777	919	985	985	985	985
Capital Employed	**17,422**	**19,979**	**21,175**	**22,536**	**29,265**	**32,064**	**34,202**	**36,489**	**40,289**	**45,759**
Lease liability	0	0	148	117	569	813	1,198	1,489	1,719	1,965
Gross Block	8,680	9,366	10,548	11,249	15,477	20,976	23,409	24,919	26,429	27,939
Less: Accum. Depn.	1,541	1,932	2,449	3,043	3,346	4,406	5,743	7,214	8,800	10,476
Net Fixed Assets	**7,139**	**7,434**	**8,099**	**8,206**	**12,130**	**16,570**	**17,666**	**17,705**	**17,629**	**17,463**
Capital WIP	160	181	378	303	3,269	542	235	235	235	235
Investments	1,554	1,554	1,554	1,354	1,354	1,354	1,354	1,354	1,354	1,354
Curr. Assets, L&A	**13,453**	**15,435**	**15,900**	**17,548**	**19,878**	**21,861**	**26,508**	**31,413**	**37,629**	**45,655**
Inventory	3,597	3,742	4,891	5,369	7,154	7,797	10,768	12,674	14,777	16,966
Account Receivables	6,417	8,231	6,975	7,558	8,241	9,782	11,822	14,165	16,914	19,419
Cash and Bank	177	182	1,300	1,089	1,308	1,000	571	420	1,147	3,798
Others	3,261	3,280	2,735	3,533	3,176	3,283	3,346	4,155	4,791	5,472
Curr. Liab. and Prov.	**4,884**	**4,625**	**4,608**	**4,758**	**6,798**	**7,450**	**10,363**	**12,728**	**14,839**	**16,983**
Account Payables	2,448	2,642	2,619	3,043	2,749	2,670	3,125	3,728	4,451	5,110
Other Liabilities	1,563	1,344	1,818	1,548	3,843	4,578	6,988	8,690	10,030	11,463
Provisions	872	639	171	168	206	202	250	310	358	409
Net Current Assets	**8,569**	**10,810**	**11,293**	**12,790**	**13,080**	**14,410**	**16,145**	**18,685**	**22,790**	**28,672**
Application of Funds	**17,422**	**19,979**	**21,175**	**22,536**	**29,265**	**32,064**	**34,202**	**36,489**	**40,289**	**45,759**

E: MOFSL Estimates

Financials and valuations

Ratios

Radico Khaitan	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Basic (INR)										
EPS	**13.8**	**17.3**	**20.3**	**18.9**	**15.3**	**19.1**	**25.8**	**40.1**	**51.4**	**63.2**
Cash EPS	10.6	13.1	16.2	14.0	10.0	10.6	15.3	29.1	39.5	50.7
BV/Share	98.6	113.9	132.1	148.6	161.0	177.8	201.1	233.2	274.3	324.8
DPS	1.2	2.0	2.4	3.0	3.0	3.0	4.0	8.0	10.3	12.6
Payout %	8.7	11.6	11.8	15.9	19.6	15.7	15.5	20.0	20.0	20.0
Valuation (x)										
P/E	206.5	164.1	140.3	150.6	185.8	148.5	110.1	70.9	55.3	44.9
Cash P/E	268.5	216.8	175.1	202.8	284.4	267.5	185.4	97.8	71.9	56.0
EV/Sales	18.1	15.7	15.8	13.2	12.2	9.3	7.9	6.3	5.5	4.7
EV/EBITDA	110.0	102.6	92.8	94.3	107.2	76.1	57.1	42.0	34.3	28.7
P/BV	28.8	24.9	21.5	19.1	17.6	16.0	14.1	12.2	10.4	8.7
Dividend Yield (%)	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.4
Return Ratios (%)										
RoE	14.0	15.2	15.3	12.7	9.5	10.8	12.8	17.2	18.7	19.5
RoCE	11.9	13.9	13.6	11.6	7.5	9.4	11.7	15.9	17.9	19.1
RoIC	13.5	16.6	16.0	13.9	10.2	11.4	13.1	17.5	20.0	22.4
Working Capital Ratios										
Creditor (Days)	43	40	40	39	32	24	24	23	23	23
Inventory (Days)	63	56	74	68	83	69	81	77	77	78
Debtor (Days)	112	124	106	96	96	87	89	86	89	89
Cash conversion cycle	132	140	141	126	147	132	146	140	143	143
Asset Turnover (x)	1.2	1.2	1.1	1.3	1.1	1.3	1.4	1.7	1.7	1.7
Leverage Ratio										
Debt/Equity (x)	0.2	0.3	0.2	0.1	0.3	0.3	0.2	0.1	0.1	0.0
NWC days										

Cash Flow Statement (INR m)

Radico Khaitan	2019	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
Profit before tax	2,857	2,727	3,531	3,316	2,747	3,420	4,646	7,155	9,179	11,298
Non-operating & EO Items	-35	219	-111	33	40	72	12	-125	-150	-225
Depreciation and Amort.	424	525	539	649	709	1,138	1,401	1,471	1,586	1,676
Interest Paid	355	316	220	131	221	591	738	602	457	343
Direct Taxes Paid	-773	-854	-739	-912	-719	-726	-904	-1,796	-2,304	-2,836
Incr/Decr in WC	259	-2,337	330	-1,006	-612	-2,667	-2,274	-2,692	-3,378	-3,231
CF from Operations	**3,087**	**597**	**3,770**	**2,212**	**2,386**	**1,829**	**3,621**	**4,615**	**5,390**	**7,025**
Interest income	105	56	72	50	26	45	38	125	150	225
(Incr)/Decr in FA	-717	-697	-891	-670	-7,045	-2,392	-1,726	-1,510	-1,510	-1,510
Free Cash Flow	**2,370**	**-100**	**2,879**	**1,542**	**-4,659**	**-563**	**1,894**	**3,105**	**3,880**	**5,515**
(Pur)/Sale of Investments	500	0	0	200	13	1	0	0	0	0
Other investing items	-763	-44	-6	-665	-35	-28	14	0	0	0
CF from Invest.	**-874**	**-686**	**-825**	**-1,085**	**-7,042**	**-2,374**	**-1,674**	**-1,385**	**-1,360**	**-1,285**
Issue of Shares	11	13	4	12	0	37	90	0	0	0
Incr/Decr in Debt	-1,739	633	-1,269	-846	5,545	1,339	-1,064	-2,000	-1,700	-1,300
Dividend Paid	-160.709	-192.998	-267	-320.817	-401.021	-401.123	-401.289	-1,072	-1,375	-1,692
Others	-370	-358	-295	-183	-270	-737	-999	-310	-228	-97
CF from Fin. Activity	**-2,259**	**95**	**-1,828**	**-1,338**	**4,874**	**237**	**-2,374**	**-3,382**	**-3,303**	**-3,089**
Incr/Decr of Cash	**-47**	**6**	**1,117**	**-211**	**219**	**-308**	**-428**	**-152**	**727**	**2,651**
Add: Opening Balance	224	177	182	1,300	1,089	1,308	1,000	571	420	1,147
Closing Balance	**177**	**182**	**1,300**	**1,089**	**1,308**	**1,000**	**571**	**420**	**1,147**	**3,797**

E: MOFSL Estimates

NOTES

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