28 October 2026
2QFY27 Results Update | Sector: Consumer

Radico Khaitan

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	RDCK IN
Equity Shares (m)	134
M.Cap.(INRb)/(USDb)	559.8 / 5.9
52-Week Range (INR)	4748 / 2500
1, 6, 12 Rel. Per (%)	-6/28/44
12M Avg Val (INR M)	1556

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	70.2	79.7	91.0
Sales Gr. (%)	16	14	14
EBITDA	14.4	16.9	20.0
Margin (%)	20.5	21.2	22.0
PAT	9.3	11.3	13.6
EPS (INR)	69.2	84.1	101.8
EPS Gr. (%)	53	21	21
BV/Sh.(INR)	298	365	447
Ratios			
RoE (%)	23.2	23.0	22.8
RoCE (%)	27.0	29.5	33.2
Payout (%)	20.0	20.0	20.0
Valuations			
P/E (x)	60.4	49.7	41.0
P/BV (x)	14.0	11.4	9.3
EV/EBITDA (x)	38.8	32.6	27.1

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	40.2	40.2	40.2
DII	27.2	28.1	25.5
FII	19.4	18.2	18.0
Others	13.2	13.5	16.3

FII includes depository receipts

CMP: INR4,178 TP: INR5,200 (+24%) BUY

Another strong quarter; positive revision in guidance

- Radico Khaitan (RDCK) continued to deliver strong growth, led by sustained momentum in its P&A portfolio. Standalone net sales grew 17% YoY to INR17.5b (beat), with P&A volumes growing 36% YoY to 5.3m cases, against industry P&A growth of ~6%. Growth was led by vodka (+49% YoY), while non-vodka P&A brands also grew 20%, indicating that outperformance extends beyond vodka. Overall IMFL volumes grew 7%, while IMFL revenue rose 23%, reflecting the benefit of premiumization. Regular portfolio volumes declined 10% YoY to 4.6m cases, owing to a high base (+79% in 2QFY26), the AP route-to-market change, and policy changes in Maharashtra and Karnataka. Non-IMFL revenue grew 1%.
- Management raised its FY27 P&A volume growth guidance to 30% YoY from 25% earlier, reflecting sustained premiumization and strong execution across its brands. RDCK continues to outperform industry growth, supported by strong vodka momentum and favorable policy changes across key states. RDCK's premium volumes in Karnataka have more than doubled YoY, aided by duty reductions and free pricing, while Maharashtra's P&A portfolio returned to a positive growth trajectory.
- Gross margin expanded 440bp YoY to 48%, with premiumization (+510bp) and price increases (+85bp) more than offsetting the ~160bp impact of higher packaging costs. However, GM contracted 110bp QoQ due to cyclical brand-mix changes and grain price inflation. EBITDA grew 50% YoY to INR3.6b (beat), with margin expanding 460bp YoY to 20.5%. Management retained its FY27 EBITDA margin guidance of ~20%. We model 20.5% and 21.2% 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 continues to witness strong growth and is expected to deliver over 25% value growth in FY27. With a sustained focus on premiumization, operating leverage, and broad-based geographic expansion, RDCK has delivered industry-leading growth. We believe its rich valuation is well justified by its continued strong performance. We value the company at 55x Sep'28E EPS to arrive at a TP of INR5,200 and reiterate BUY.

Robust earnings continue; P&A guidance raised to 30%

- **Robust sales growth momentum continues:** Standalone net sales grew 17% YoY to INR17.5b (est. INR16.8b) in 2QFY27. P&A volumes grew 36% YoY to 5.3m cases (est. 5.1m), while overall IMFL volumes grew 7% (est. 6%). P&A growth was led by the vodka portfolio (+49% YoY to 3.0m cases), supported by healthy growth in whisky portfolio. Regular portfolio volumes declined 10% YoY to 4.6m cases on a high base (+79% in 2QFY26), while Royalty cases fell 57% to 0.2m. The decline reflects the base effect from the Andhra Pradesh route-to-market change in 2QFY26 and policy changes in Maharashtra and Karnataka. IMFL revenue grew 23% YoY, led by premiumization, while non-IMFL revenue grew 1% YoY. **Reflecting sustained premium portfolio momentum, management raised its FY27 P&A volume growth guidance to 30% YoY from 25% earlier.**

Naveen Trivedi – Research Analyst (Naveen.Trivedi@motilaloswal.com)
Research Analyst: Amey Tiwari (Amey.Tiwari@motilaloswal.com) | **Tanu Jindal** (Tanu.Jindal@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.
Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

- **EBITDA margin expanded 460bp YoY:** GM expanded 440bp YoY to 48% (est. 49%), supported by inventory built-up to mitigate rising grain prices. Employee and other expenses rose 13% and 15% YoY, respectively, while S&D expenses increased 19%. A&SP stood at 6.6% of IMFL sales (vs. 6.1% in 2QFY26), with management retaining its spending guidance of 6-8% of IMFL revenue. EBITDA margin expanded 460bp YoY to 20.5% (in line), supported by strong gross margin expansion. Despite the uncertain macro environment, management remains confident of achieving margin expansion in FY27 and reiterated its full-year EBITDA margin guidance of ~20%.
- **Strong earnings growth:** EBITDA grew 50% YoY to INR3.6b (est. 43%), while PBT/APAT increased 65%/66% YoY in 2QFY27. Net debt stood at INR1.75b, declining INR0.7b since Mar'26, with management aspiring to achieve a net debt-free position in 2HFY27.
- For 1HFY27, revenue/EBITDA/APAT grew 14%/50%/64% YoY, with EBITDA margin expanding to 20.6% from 15.7% in 1HFY26.

Highlights from the management commentary

- Vodka accounts for ~28% of the global liquor market. In India, its share increased from 3.7% in 2025 to 6.2% in 1HFY27. The category has expanded at a 20% CAGR over the past couple of years, and management expects this momentum to continue going forward.
- Within GM, premiumization contributed 510bp and price increases added 85bp. This was slightly offset by volatility in packaging material prices, which resulted in a financial impact of ~INR270m (~160bp impact on GM). Gross margin was impacted by cyclical brand mix changes and inflation in grain prices.
- With the UK FTA, RDCK is seeing about 8-10% reduction in the BIO MRPs.
- RDCK indicated that the overall spirits industry comprises ~400m cases of IMFL and 350-400m cases of country liquor, while the beer market is of a similar size.

Valuation and view

- We maintain our EPS estimates for FY27-29.
- Management remains committed to steadily reducing its debt, supported by healthy free cash flow generation. Net debt declined by INR0.7b from Mar'26 to INR1.75b as of Sept'26. Management is targeting a net debt-free balance sheet by FY27.
- 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 stood at ~15% of UNSP's P&A sales in FY19. However, the share has now grown to ~30% (as of FY26), and we expect it to further improve going forward. The valuation gap with UNSP has narrowed significantly, reflecting greater market recognition of RDCK's brand strength and execution capabilities.
- RDCK is currently trading at 50x/41x FY28E/FY29E P/E, with RoE/RoIC of 23%/29.5% in FY28E. We believe the ~30% EPS CAGR over FY26-29E provides adequate support for sustaining rich valuations. We value the company at 55x Sep'28E EPS to arrive at a TP of INR5,200 and reiterate BUY.

Standalone Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27E	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
IMFL volume growth %	**37.5**	**37.7**	**16.6**	**4.0**	**2.9**	**7.1**	**10.6**	**16.2**	**22.2**	**9.1**	**5.9**	
P&A volume growth (%)	**40.7**	**21.6**	**25.9**	**27.9**	**35.9**	**35.7**	**30.0**	**29.5**	**28.5**	**32.6**	**30.0**	
Regular volume growth (%)	**51.8**	**79.4**	**32.8**	**-10.2**	**-14.9**	**-9.7**	**-8.0**	**5.6**	**31.0**	**-7.1**	**-13.0**	
Total revenues	**15,060**	**14,939**	**15,467**	**15,037**	**16,847**	**17,451**	**18,108**	**17,784**	**60,504**	**70,190**	**16,827**	**4%**
YoY change (%)	32.5	33.8	19.5	15.3	11.9	16.8	17.1	18.3	24.7	16.0	12.6	
Gross Profit	**6,477**	**6,520**	**7,194**	**7,218**	**8,277**	**8,384**	**8,873**	**8,859**	**27,409**	**34,393**	**8,245**	**2%**
Margin (%)	43.0	43.6	46.5	48.0	49.1	48.0	49.0	49.8	45.3	49.0	49.0	
EBITDA	**2,322**	**2,378**	**2,672**	**2,845**	**3,489**	**3,573**	**3,613**	**3,679**	**10,215**	**14,354**	**3,405**	**5%**
Margins (%)	15.4	15.9	17.3	18.9	20.7	20.5	20.0	20.7	16.9	20.5	20.2	
EBITDA growth (%)	55.8	45.7	45.2	60.2	50.3	50.2	35.2	29.3	51.6	40.5	43.3	
Depreciation	363	374	372	422	412	432	435	448	1,530	1,727	415	
Interest	159	163	164	154	117	114	100	103	640	434	120	
Other income	47	24	26	58	54	50	40	41	154	185	40	
PBT	**1,846**	**1,865**	**2,162**	**2,327**	**3,014**	**3,077**	**3,118**	**3,169**	**8,199**	**12,378**	**2,910**	**6%**
Tax	443	474	515	576	754	768	783	805	2,008	3,109	730	
Rate (%)	24.0	25.4	23.8	24.7	25.0	25.0	25.1	25.4	24.5	25.1	25.1	
Extraordinary inc/(Exp)	-70	0	-96	0	0	0	0	0	-166	0	0	
Reported PAT	**1,473**	**1,391**	**1,742**	**1,752**	**2,260**	**2,309**	**2,335**	**2,365**	**6,356**	**9,269**	**2,179**	**6%**
Adj.PAT	**1,403**	**1,391**	**1,647**	**1,752**	**2,260**	**2,309**	**2,335**	**2,365**	**6,066**	**9,269**	**2,179**	**6%**
YoY change (%)	83.9	69.3	71.6	93.1	61.1	66.0	41.8	35.0	75.7	52.8	56.8	

E: MOFSL Estimate

Key operational metrics

Revenue Split (INR M)	1QFY25	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
P&A	4,995	5,780	6,479	6,148	7,132	7,184	8,383	7,937	9,700	9,960
Regular	2,363	1,766	2,294	3,440	3,499	3,228	2,952	2,945	2,893	2,927
Royalty	96	93	158	104	65	62	62	104	32	35
IMFL	**7,454**	**7,639**	**8,931**	**9,692**	**10,696**	**10,474**	**11,397**	**10,986**	**12,625**	**12,922**
Non IMFL	**3,911**	**3,523**	**4,011**	**3,349**	**4,364**	**4,465**	**4,070**	**4,050**	**4,222**	**4,529**
Total	**11,365**	**11,162**	**12,942**	**13,041**	**15,060**	**14,939**	**15,467**	**15,036**	**16,847**	**17,451**
Rev Growth YoY (%)										
P&A	19%	18%	25%	22%	43%	24%	29%	29%	36%	39%
Regular	-15%	-12%	15%	101%	48%	83%	29%	-14%	-17%	-9%
Royalty	25%	16%	58%	-16%	-32%	-33%	-61%	0%	-51%	-44%
IMFL	**6%**	**9%**	**22%**	**41%**	**43%**	**37%**	**28%**	**13%**	**18%**	**23%**
Non IMFL	**57%**	**56%**	**-7%**	**-14%**	**12%**	**27%**	**1%**	**21%**	**-3%**	**1%**
Total	**19%**	**21%**	**11%**	**21%**	**33%**	**34%**	**20%**	**15%**	**12%**	**17%**
IMFL Volume details (Mn Cases)										
Prestige & Above	2.7	3.2	3.7	3.4	3.8	3.9	4.6	4.4	5.2	5.3
Regular	3.6	2.8	3.5	5.3	5.4	5.0	4.7	4.8	4.6	4.6
Royalty	0.8	0.8	1.2	0.5	0.5	0.4	0.4	0.4	0.2	0.2
Total	**7.1**	**6.8**	**8.4**	**9.1**	**9.7**	**9.4**	**9.8**	**9.5**	**10.0**	**10.0**
Change YoY (%)										
Prestige & Above	14%	13%	18%	16%	41%	22%	26%	28%	36%	36%
Regular	-14%	-12%	13%	78%	52%	79%	33%	-10%	-15%	-10%
Royalty	-7%	-16%	14%	-65%	-40%	-46%	-63%	-9%	-63%	-57%
Total	**-4%**	**-2%**	**15%**	**27%**	**37%**	**38%**	**17%**	**4%**	**3%**	**7%**



Highlights from the management commentary

Operating environment

- **Management upgraded its FY27 P&A volume growth guidance to 30% (vs. earlier 25%), supported by strong premiumization trends.**
- The policy environment across key states continues to be progressive and suppo rtive. RDCK see this as a meaningful tailwind for organized players going forward.
- Vodka accounts for ~28% of the global liquor market. In India, it has grown from 3.7% in 2025 to 6.2% in 1HFY27. RDCK is witnessing a shift, especially with the younger generation and women coming in. Vodka in India has expanded at a 20% CAGR over past couple of years, and management expects this momentum to continue going forward.
- Against industry P&A growth of just ~6%, RDCK delivered 20% growth in non-vodka P&A brands and 49% growth in vodka, highlighting the strength of the company's premium portfolio.
- Regular volume decline (-10%) was due to a higher base of 2QFY26 after the change in the route-to-market in the state of Andhra Pradesh, and the impact of the policy change in Maharashtra and Karnataka.
- During the quarter, RDCK made a deliberate investment in working capital to support the strong growth in its premium portfolio, new launches, and secure key raw material and packaging material amid the price volatility. The company alluded that this is temporary, and it expects this to normalize over 2HFY27.
- **With the UK FTA, RDCK is seeing about 8-10% reduction in the BIO MRPs.**
- Internationally, RDCK became the first Indian spirits company to mark its presence across four major UK airports.
- **Net debt declined INR0.7b since Mar'26, with management targeting a net debt-free balance sheet by 2HFY27.**
- **RDCK indicated that the overall spirits industry comprises ~400m cases of IMFL and 350-400m cases of country liquor, with around a similar size in the beer category.**

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.**
- RDCK launched magic moments Aam Panna in August 2026. Supported by a digital-first campaign, initial consumer response has been encouraging, and tertiary offtake across the magic moments family remains healthy.
- RDCK has planned a couple of more launches in the flavored vodka category.
- In whiskey, After Dark's modern repackaging is resonating well in the largest segment of the market (currently in 10 states), and the company is extending it to more states.
- 8pm premium black continues to gain momentum and market share.
- Royal Ranthambore continues to perform well across civil and CSD channels.
- Its luxury portfolio, including Rampur Indian Single Malt, Jaisalmer Gin, and Virasat Indian Single Malt, continues to receive strong response across India and abroad.
- The company is steadily taking Rampur 1943 Virasat to new states.

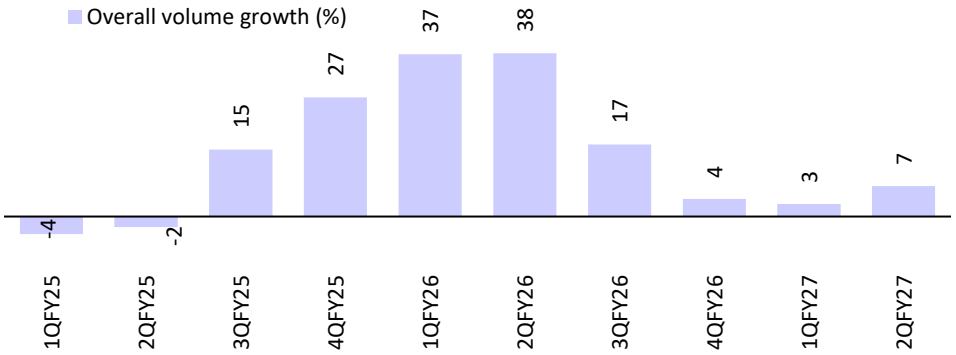
Cost and margins

- Gross margin expanded 440bp YoY (-110bps QoQ) to 48% (est. 49%).
- Within GM, premiumization added 510bp and price increases added 85bp, which was slightly offset by the volatility in packaging material, resulting in ~INR270m of financial impact (~160bp impact in GM). Gross margin was impacted sequentially due to some cyclical brand mix changes and inflation in grain prices.
- Continued volatility was seen in the raw material and packaging costs. RDCK is managing this through sharper procurement, value engineering, integrated manufacturing platform, and product mix.
- **In 2Q, the IMFL business margin stood at ~24% (because of luxury and vodka being major share) and non-IMFL business was around 9.5%-10%.**
- Management remains confident of sustaining its margin expansion trajectory in FY27, despite uncertain macro conditions and input cost volatility.
- Management alluded that in 2QFY27, A&SP was 6.6% of IMFL sales compared to 6.1% in 2QFY26. It expects to maintain A&SP spend at around 6% to 8% of IMFL revenue.
- **The company expects to deliver an EBITDA margin of ~20% in FY27, driven by an increasing contribution from premium and luxury brands**.

State Policy

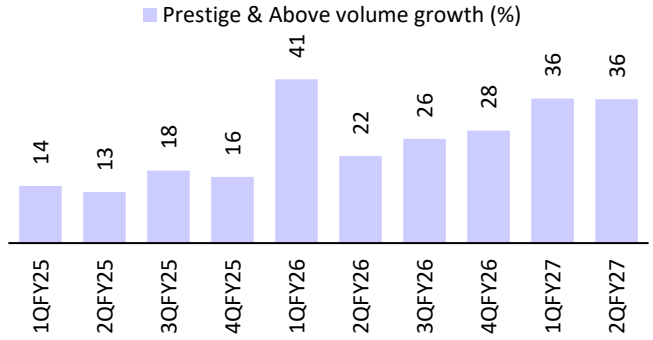
- In Karnataka, RDCK's premium volumes grew over 100% YoY in 2Q, benefiting from duty reductions and free pricing. However, Karnataka accounts for only 6% of the company's sales, with strong growth across other states also supporting overall performance.
- In Maharashtra, its P&A portfolio returned to growth trajectory in 2Q, supported by strong vodka performance. Vodka now accounts for 11% of the state's industry, benefiting the company given its market leadership in the category.
- Tamil Nadu: RDCK's volumes grew 20% as tertiary orders resumed in September. The proposed digital payment requirement for purchases above INR1,000 and the introduction of new brands could create incremental opportunities for the company, particularly for Morpheus, the state's largest-selling premium brandy. Moreover, Tamil Nadu is second largest market for vodka.
- RDCK has represented its case for a price increase to the Telangana state government; the outcome remains contingent on the government's decision.

Exhibit 1: Overall volume growth was 7% YoY, with 10m cases in 2QFY27



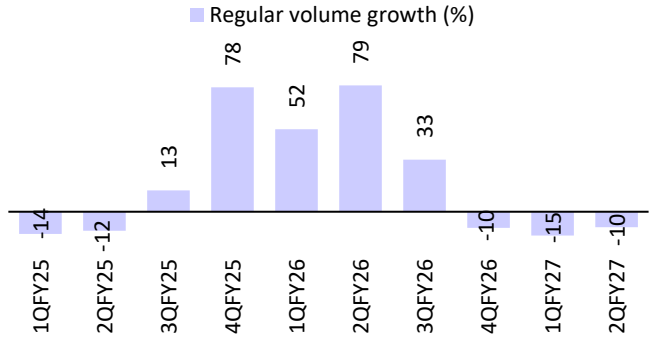
Source: Company, MOFSL

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



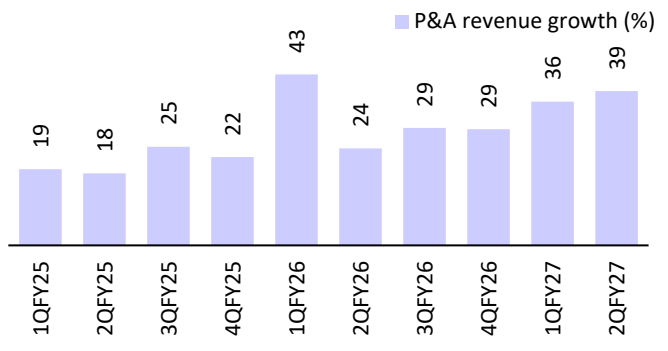
Source: Company, MOFSL

Exhibit 3: Regular volumes (%) declined 10% YoY in 2QFY27



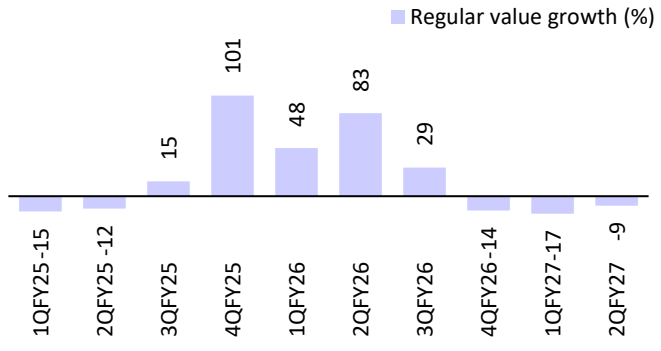
Source: Company, MOFSL

Exhibit 4: Value growth in P&A stood at 39% YoY



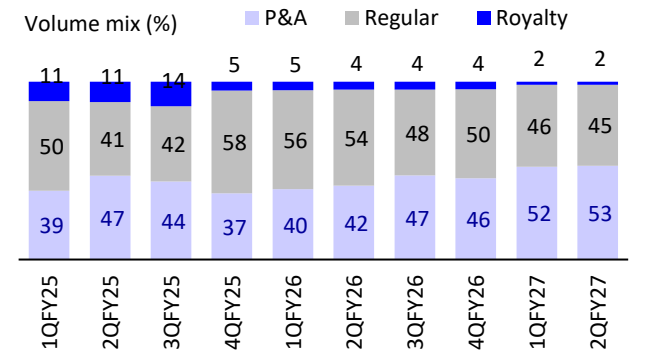
Source: Company, MOFSL

Exhibit 5: Regular sales declined 9% YoY in 2QFY27



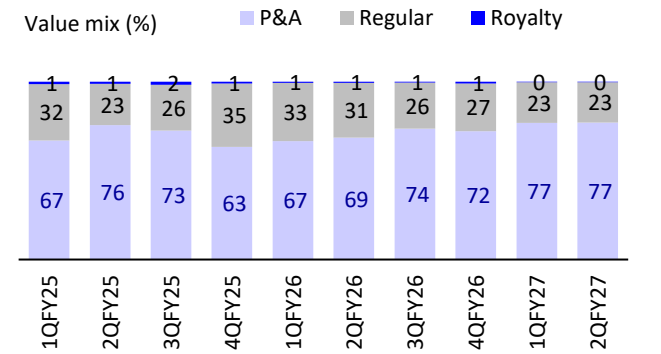
Source: Company, MOFSL

Exhibit 6: Contribution of P&A volumes stood at 53%...



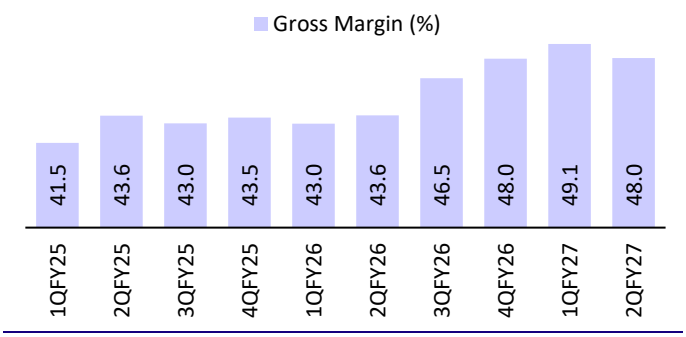
Source: Company, MOFSL

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



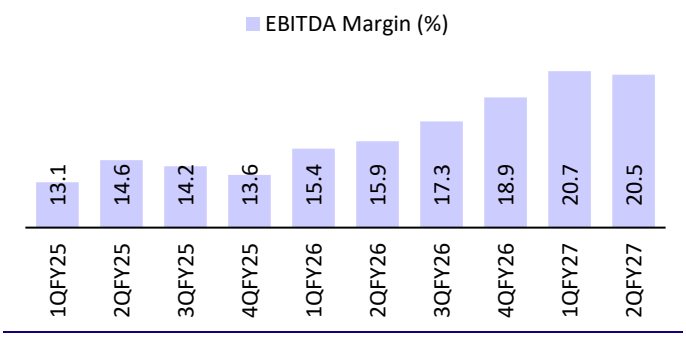
Source: Company, MOFSL

Exhibit 8: Gross margin expanded 440bp YoY to 48%



Source: Company, MOFSL

Exhibit 9: EBITDA margin expanded 460bp YoY to 20.5% in 2QFY27



Source: Company, MOFSL

Valuation and view

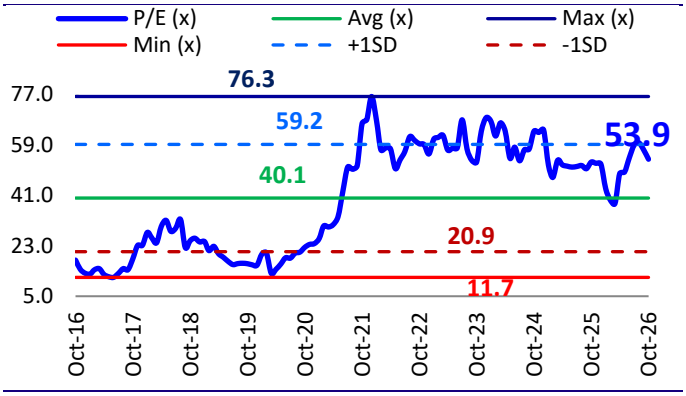
- We maintain our EPS estimates for FY27-29.
- Management remains committed to steadily reducing its debt, supported by healthy free cash flow generation. Net debt has declined by INR0.7b since Mar'26, with debt standing at INR1.75b as of Sept'26. Management is targeting a net debt-free balance sheet by in FY27.
- 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 accounted for ~15% of UNSP's P&A sales in FY19. This share has now grown to ~30% (as of FY26), and we expect it to further improve 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 50x/41x FY28E/FY29E P/E, with RoE/RoIC of 23%/29.5% in FY28E. We believe a ~30% EPS CAGR over FY26-29E provides adequate support for sustaining rich valuations. We value the company at 55x Sep'28E EPS to arrive at a TP of INR5,200 and reiterate BUY.

Exhibit 10: We maintain our EPS estimates for FY27-29

	New			Old			Change (%)		
	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E	FY27E	FY28E	FY29E
Net sales	70,190	79,743	91,025	70,232	79,765	91,023	-0.1	-0.0	0.0
EBITDA	14,354	16,866	19,980	14,327	16,711	19,707	0.2	0.9	1.4
APAT	9,269	11,260	13,636	9,242	11,144	13,431	0.3	1.0	1.5

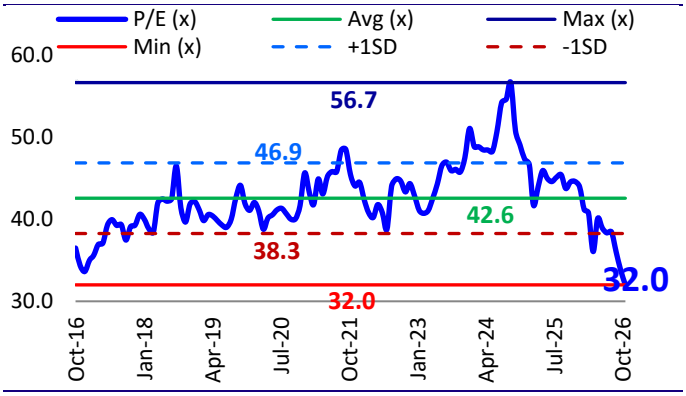
Source: Company, MOFSL

Exhibit 11: RDCK's P/E



Source: Company, MOFSL

Exhibit 12: Consumer's P/E



Source: Company, MOFSL

Financials and valuations

Income Statement - Standalone (INR m)

	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Gross revenue	**1,05,040**	**1,24,705**	**1,27,439**	**1,54,839**	**1,70,985**	**2,09,764**	**2,43,343**	**2,76,463**	**3,15,578**
Excise duty	81,052	96,025	96,011	1,13,654	1,22,474	1,49,260	1,73,153	1,96,720	2,24,553
Net Revenue	**23,988**	**28,680**	**31,428**	**41,185**	**48,512**	**60,504**	**70,190**	**79,743**	**91,025**
Change (%)	-1.2	19.6	9.6	31.0	17.8	24.7	16.0	13.6	14.1
Gross Profit	**11,964**	**12,906**	**13,149**	**17,520**	**20,773**	**27,409**	**34,393**	**39,672**	**45,740**
Margin (%)	49.9	45.0	41.8	42.5	42.8	45.3	49.0	49.8	50.3
EBITDA	**4,089**	**4,022**	**3,584**	**5,061**	**6,737**	**10,215**	**14,354**	**16,866**	**19,980**
Change (%)	10.0	-1.6	-10.9	41.2	33.1	51.6	40.5	17.5	18.5
Margin (%)	17.0	14.0	11.4	12.3	13.9	16.9	20.5	21.2	22.0
Depreciation	539	649	709	1,138	1,401	1,530	1,727	1,823	1,919
Int. and Fin. Charges	220	131	221	591	738	640	434	255	201
Other Income	201	110	94	89	49	154	185	250	350
Profit before Taxes	**3,531**	**3,352**	**2,748**	**3,420**	**4,646**	**8,199**	**12,378**	**15,037**	**18,211**
Change (%)	18.9	-5.1	-18.0	24.5	35.8	76.5	51.0	21.5	21.1
Margin (%)	14.7	11.7	8.7	8.3	9.6	13.6	17.6	18.9	20.0
Tax	825	831	704	863	1,194	2,008	3,109	3,777	4,574
Tax Rate (%)	23.4	24.8	25.6	25.2	25.7	24.5	25.1	25.1	25.1
Adjusted PAT	**2,706**	**2,521**	**2,044**	**2,558**	**3,452**	**6,066**	**9,269**	**11,260**	**13,636**
Change (%)	17.0	-6.8	-18.9	25.1	35.0	75.7	52.8	21.5	21.1
Margin (%)	11.3	8.8	6.5	6.2	7.1	10.0	13.2	14.1	15.0

Balance Sheet (INR m)

	2021	2022	2023	2024	2025	2026	2027E	2028E	2029E
Share Capital	267	267	267	267	268	268	268	268	268
Reserves	17,372	19,601	21,253	23,506	26,643	32,234	39,649	48,657	59,566
Net Worth	**17,639**	**19,868**	**21,520**	**23,774**	**26,910**	**32,502**	**39,917**	**48,925**	**59,834**
Loans	2,734	1,899	6,968	7,371	6,307	3,318	1,133	33	18
Deferred Tax Liabilities	802	769	777	919	985	1,125	1,125	1,125	1,125
Capital Employed	**21,175**	**22,536**	**29,265**	**32,064**	**34,202**	**36,946**	**42,175**	**50,083**	**60,977**
Lease liability	148	117	569	813	1,198	1,666	1,933	2,196	2,507
Net Fixed Assets	**8,099**	**8,206**	**12,130**	**16,570**	**17,666**	**18,661**	**18,444**	**18,131**	**17,723**
Capital WIP	378	303	3,269	542	235	749	749	749	749
Investments	1,554	1,354	1,354	1,354	1,354	1,743	1,743	1,743	1,743
Curr. Assets, L&A	**15,900**	**17,548**	**19,878**	**21,861**	**26,508**	**27,907**	**35,337**	**45,451**	**58,933**
Inventory	4,891	5,369	7,154	7,797	10,768	11,656	14,860	17,047	19,416
Account Receivables	6,975	7,558	8,241	9,782	11,822	11,896	14,261	16,360	18,634
Cash and Bank	1,300	1,089	1,308	1,000	571	877	2,182	7,461	15,652
Others	2,735	3,533	3,176	3,283	3,346	3,478	4,034	4,583	5,231
Curr. Liab. and Prov.	**4,608**	**4,758**	**6,798**	**7,450**	**10,363**	**10,448**	**12,165**	**13,795**	**15,664**
Account Payables	2,619	3,043	2,749	2,670	3,125	3,257	3,905	4,479	5,102
Other Liabilities	1,818	1,548	3,843	4,578	6,988	6,899	7,923	8,932	10,124
Provisions	171	168	206	202	250	291	338	384	438
Net Current Assets	**11,293**	**12,790**	**13,080**	**14,410**	**16,145**	**17,459**	**23,172**	**31,656**	**43,269**
Application of Funds	**21,175**	**22,536**	**29,265**	**32,064**	**34,202**	**36,946**	**42,175**	**50,083**	**60,977**

Financials and valuations

Ratios									
Radico Khaitan	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**	**2029E**
Basic (INR)									
EPS	**20.3**	**18.9**	**15.3**	**19.1**	**25.8**	**45.3**	**69.2**	**84.1**	**101.8**
Cash EPS	16.2	14.0	10.0	10.6	15.3	33.6	56.3	70.5	87.5
BV/Share	132.1	148.6	161.0	177.8	201.1	242.7	298.1	365.4	446.9
DPS	2.4	3.0	3.0	3.0	4.0	4.0	13.8	16.8	20.4
Payout %	11.8	15.9	19.6	15.7	15.5	8.8	20.0	20.0	20.0
Valuation (x)									
Market Price	4,178.0	4,178.0	4,178.0	4,178.0	4,178.0	4,178.0	4,178	4,178	4,178
P/E	206.3	221.5	273.2	218.4	162.0	92.2	60.4	49.7	41.0
Cash P/E	257.6	298.3	418.2	393.4	272.6	124.4	74.2	59.3	47.7
EV/Sales	23.3	19.5	17.9	13.7	11.6	9.3	7.9	6.9	6.0
EV/EBITDA	136.4	138.7	157.0	111.4	83.6	54.8	38.8	32.6	27.1
P/BV	31.6	28.1	26.0	23.5	20.8	17.2	14.0	11.4	9.3
Dividend Yield (%)	0.1	0.1	0.1	0.1	0.1	0.1	0.3	0.4	0.5
Return Ratios (%)									
RoE	15.3	12.7	9.5	10.8	12.8	18.7	23.2	23.0	22.8
RoCE	13.6	11.6	7.5	9.4	11.7	18.1	22.7	22.9	22.6
RoIC	16.0	13.9	10.2	11.4	13.1	20.3	27.0	29.5	33.2
Working Capital Ratios									
Creditor (Days)	40	39	32	24	24	20	20	21	20
Inventory (Days)	74	68	83	69	81	70	77	78	78
Debtor (Days)	106	96	96	87	89	72	74	75	75
Cash conversion cycle	141	126	147	132	146	122	131	132	132
Asset Turnover (x)	1.1	1.3	1.1	1.3	1.4	1.6	1.7	1.6	1.5
Leverage Ratio									
Debt/Equity (x)	0.2	0.1	0.3	0.3	0.2	0.1	0.0	0.0	0.0

Cash Flow Statement									(INR m)
Radico Khaitan	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**	**2029E**
Profit before tax	3,531	3,316	2,747	3,420	4,646	8,033	12,378	15,037	18,211
Non-operating & EO Items	-111	33	40	72	12	49	-185	-250	-350
Depreciation and Amort.	539	649	709	1,138	1,401	1,530	1,727	1,823	1,919
Interest Paid	220	131	221	591	738	640	434	255	201
Direct Taxes Paid	-739	-912	-719	-726	-904	-1,796	-3,109	-3,777	-4,574
Incr/Decr in WC	330	-1,006	-612	-2,667	-2,274	-1,038	-4,408	-3,205	-3,422
CF from Operations	**3,770**	**2,212**	**2,386**	**1,829**	**3,621**	**7,419**	**6,836**	**9,883**	**11,984**
Interest income	72	50	26	45	38	84	185	250	350
(Incr)/Decr in FA	-891	-670	-7,045	-2,392	-1,726	-2,378	-1,510	-1,510	-1,510
Free Cash Flow	**2,879**	**1,542**	**-4,659**	**-563**	**1,894**	**5,041**	**5,326**	**8,373**	**10,474**
(Pur)/Sale of Investments	0	200	13	1	0	1	0	0	0
Other investing items	-6	-665	-35	-28	14	-360	0	0	0
CF from Invest.	**-825**	**-1,085**	**-7,042**	**-2,374**	**-1,674**	**-2,652**	**-1,325**	**-1,260**	**-1,160**
Issue of Shares	4	12	0	37	90	88	0	0	0
Incr/Decr in Debt	-1,269	-846	5,545	1,339	-1,064	-2,989	-2,186	-1,100	-15
Dividend Paid	-267	-321	-401	-401	-401	-535	-1,854	-2,252	-2,727
Others	-295	-183	-270	-737	-999	-1,025	-167	8	110
CF from Fin. Activity	**-1,828**	**-1,338**	**4,874**	**237**	**-2,374**	**-4,462**	**-4,206**	**-3,344**	**-2,632**
Incr/Decr of Cash	**1,117**	**-211**	**219**	**-308**	**-428**	**306**	**1,305**	**5,278**	**8,191**
Add: Opening Balance	182	1,300	1,089	1,308	1,000	571	877	2,182	7,460
Closing Balance	**1,300**	**1,089**	**1,308**	**1,000**	**571**	**877**	**2,182**	**7,460**	**15,652**

E: MOFSL Estimates

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Nainesh Rajani
Email: nainesh.rajani@motilaloswal.com
Contact: (+65) 8328 0276

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Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028, AMFI registered Mutual Fund Distributor and SIF Distributor: ARN .: 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dpgrievances@motilaloswal.com.