29 October 2026
2QFY27 Results Update | Sector: Consumer

United Spirits

Estimate change	⟷
TP change	↓
Rating change	⟷

Bloomberg	UNITDSPR IN
Equity Shares (m)	727
M.Cap.(INRb)/(USDb)	937.9 / 9.8
52-Week Range (INR)	1576 / 1210
1, 6, 12 Rel. Per (%)	-6/0/5
12M Avg Val (INR M)	1455

Financials & Valuations (INR b)

Y/E March	2027E	2028E	2029E
Sales	135.4	148.1	162.8
Sales Gr. (%)	8.7	9.4	9.9
EBITDA	25.2	28.7	32.2
Margin (%)	18.7	19.4	19.8
PAT	18.1	20.3	23.0
EPS (INR)	24.9	28.0	31.6
EPS Gr. (%)	6.8	12.1	12.9
BV/Sh.(INR)	145.8	173.7	205.3
Ratios			
RoE (%)	17.1	16.1	15.4
RoCE (%)	20.1	18.7	17.7
Payout (%)	64.1	64.4	63.3
Valuations			
P/E (x)	49.3	43.9	38.9
P/BV (x)	8.4	7.1	6.0
EV/EBITDA (x)	33.4	28.9	25.2

Shareholding Pattern (%)

As On	Sep-26	Jun-26	Sep-25
Promoter	56.7	56.7	56.7
DII	17.7	17.2	14.9
FII	12.8	12.9	14.4
Others	12.8	13.3	14.0

FII includes depository receipts

CMP: INR1,290 TP: INR1,375 (+7%) Neutral

Lackluster performance; P&A recovery hinges on 2HFY27

- United Spirits (UNSP) registered 3% YoY revenue growth to INR32.6b in 2QFY27 (est. INR33.7b). Volumes contracted by 5% YoY (est. flat; 2QFY26 at +8%, 1QFY27 at -3%). Prestige & Above (P&A) revenue growth stood at 6.3% YoY on a high base of 14%, while volume was down 1% (est. +3.5%). Premiumization, led by luxury and white spirits, including the J&B Scotch relaunch and Smirnoff innovations, supported value growth. The popular segment's revenue contracted sharply by 23% YoY, with volumes contracting ~30% to 1.6m cases. Maharashtra and Karnataka's excise policy changes continue to affect the popular portfolio.
- Gross margin expanded 90bp YoY to 48% (est. 46.4%), supported by favourable mix, productivity gains and the India-UK FTA benefits, partly offset by RM cost pressures. Management quantified the RM cost impact at ~INR500m in 2Q. The UK FTA benefits are likely to support GM, but ENA inflation could offset part of the gains. A&P spending rose 57% YoY ahead of the festive season, absorbing the GM gains. Consequently, EBITDA declined 4% YoY to INR6.4b (in line), with margin contracting 130bp to 19.7%. Management expects gross margin to hold in the near term. We model an EBITDA margin of 19-20% for FY27-FY28.
- Management reiterated its double-digit P&A growth aspiration for FY27. MML anniversarization from 3Q is expected to add 2-3% to P&A growth, taking it to ~9.5%; McDowell's and innovation are expected to bridge the gap. Smirnoff is on track to exceed INR10b in FY27 NSV, while J&B and Smirnoff Ice RTD provide further growth avenues going forward. The RCB transaction is expected to close by mid-December. We model a revenue and EBITDA CAGR of 9% and 12% over FY26-29E, respectively. **We reiterate our Neutral rating with a TP of INR1,375.**

Soft quarter; high A&P spending drags EBITDA

- **Weak volumes weighed on revenue growth**: Standalone net sales grew 3% YoY to INR32.6b (est. INR33.7b) in 2QFY27. P&A revenue (accounting for 94% of the revenue mix) was up 6.3% YoY on a high base of 14% growth, while popular revenue declined by 22.6% YoY. Total volume declined 5% (est. flat YoY, +7.7% in 2QFY26).
- **Soft P&A growth continues**: P&A volume fell 1% YoY (est. +3.5% YoY, +11.5% in 2QFY26) to 14.1m cases, while popular volume contracted by ~30% YoY (est. -20% YoY, -11.6% in 2QFY26) to 1.6m cases. Popular volumes remained under pressure from MML in Maharashtra and excise slab changes in Karnataka, which also weighed on realizations. P&A growth was supported by Smirnoff local flavor innovations, the J&B Scotch relaunch and the luxury portfolio, partly offset by adverse policy changes in Maharashtra.

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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.

- **High A&P spending weighs on margin:** Gross margin expanded 90bp YoY to 48% (est. 46.4%; 47.1% in 2QFY26), driven by better product mix and productivity gains, partially offset by the continued impact from the West Asia crisis. A&P spending rose 57% YoY, while other expenses and employee expenses declined 5% and 15%, respectively. EBITDA margin contracted 130bp YoY to 19.7% (est. 19.3%, 21% in 2QFY26).
- **Profitability declined YoY:** EBITDA declined by 4% YoY to INR6.4b (est. INR6.5b), impacted by proactive A&P spending ahead of the festive season. PBT declined by 7% YoY to INR6.1b (est. INR6.2b), while APAT declined by 7% YoY to INR4.5b (est. INR4.7b).
- In 1HFY27, UNSP's net sales and APAT grew 4% and 1% YoY, respectively, while EBITDA declined 1% YoY.

Highlights from the management commentary

- Consumer sentiment remained soft due to the prolonged West Asia crisis, a weaker monsoon, and inflation. The pressure is concentrated at the bottom end (India 1, the lower half of IMFL), while the rest of the segments are holding up. Rural markets have not yet felt the monsoon impact, and management remains optimistic about the India consumption story.
- Ex-Maharashtra, 1HFY27 growth was ~10.5%, while Karnataka P&A volumes and value grew ~30% in 2Q.
- The McDowell's No.1 renovation (liquid, glass and PET packaging, communication) has reached 80-85% of salient markets, with a mixed national response.
- The West Asia impact was ~INR500m across glass, energy, packaging and logistics, and is now treated as business as usual.
- ENA was deflationary in 1Q but is turning inflationary amid El Niño concerns, and management expects the full FTA benefit to offset the rise; hence, gross margin should hold sequentially in the next quarter.

Valuation and view

- We broadly maintain our EPS estimates for FY27-FY28.
- Management reiterated its double-digit P&A growth aspiration for FY27. MML anniversarization from 3Q is expected to add 2-3% to P&A growth, taking it to ~9.5%; McDowell's and innovation are expected to bridge the gap to the ~12% run-rate targeted for 2HFY27. Smirnoff is on track to exceed INR10b in FY27 NSV, while J&B and Smirnoff Ice RTD provide further growth avenues going forward.
- Key monitorables include McDowell's renovation acceptance, normalization of the Maharashtra base, benefits from Karnataka policy changes (6–7% of revenue), gradual gains from the India-UK FTA, and continued momentum in the P&A portfolio. The RCB transaction is expected to close by mid-December.
- We model a revenue and EBITDA CAGR of 9% and 12% over FY26-29E, respectively. **We reiterate our Neutral rating with a TP of INR1,375.**

Quarterly Performance (INR m)

Y/E March	FY26				FY27E				FY26	FY27E	FY27	Var.
(Standalone)	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2QE	(%)
Volume growth %	**9.4**	**7.7**	**-3.2**	**-5.6**	**-3.4**	**-5.0**	**5.4**	**8.6**	**1.5**	**1.5**	**-0.3**	
Total revenues	**25,490**	**31,700**	**36,830**	**30,460**	**27,030**	**32,580**	**41,133**	**34,620**	**1,24,480**	**1,35,363**	**33,712**	**-3.4%**
YoY change (%)	8.4	11.5	7.3	3.4	6.0	2.8	11.7	13.7	7.6	8.7	6.3	
Gross Profit	**11,210**	**14,930**	**17,280**	**14,400**	**12,460**	**15,630**	**19,620**	**16,587**	**57,820**	**64,297**	**15,642**	**-0.1%**
Margin (%)	44.0	47.1	46.9	47.3	46.1	48.0	47.7	47.9	46.4	47.5	46.4	
Total Exp	21,340	24,980	30,650	24,550	22,710	26,150	33,840	27,418	1,01,520	1,10,118	27,206	
EBITDA	**4,150**	**6,720**	**6,180**	**5,910**	**4,320**	**6,430**	**7,293**	**7,202**	**22,960**	**25,245**	**6,506**	**-1.2%**
Margins (%)	16.3	21.2	16.8	19.4	16.0	19.7	17.7	20.8	18.4	18.7	19.3	
EBITDA growth (%)	-9.4	32.5	5.1	17.0	4.1	-4.3	18.0	21.9	11.6	10.0	-3.2	
Depreciation	680	650	790	710	700	740	765	773	2,830	2,978	735	
Interest	490	210	190	250	300	240	310	370	1,140	1,220	300	
Other income	610	760	510	760	720	640	600	680	2,640	2,640	750	
PBT	**3,590**	**6,620**	**5,710**	**5,710**	**4,040**	**6,090**	**6,818**	**6,739**	**21,630**	**23,687**	**6,221**	**-2.1%**
Tax	900	1,600	1,250	1,350	820	1,580	1,739	1,665	5,100	5,803	1,555	
Rate (%)	25.1	24.2	21.9	23.6	20.3	25.9	25.5	24.7	23.6	24.5	25.0	
Adj. PAT	**2,963**	**4,945**	**4,668**	**4,360**	**3,393**	**4,538**	**5,079**	**5,074**	**16,935**	**18,084**	**4,666**	**-2.7%**
YoY change (%)	-0.9	47.6	11.0	16.3	14.5	-8.2	8.8	16.4	18.5	6.8	-5.6	
Reported PAT	**2,580**	**4,720**	**5,290**	**5,710**	**3,910**	**4,620**	**5,079**	**5,074**	**18,300**	**18,684**	**4,665.8**	

E: MOSL Estimate

Volume and revenue growth in P&A and Popular categories

Particulars	2QFY25	3QFY25	4QFY25	1QFY26	2QFY26	3QFY26	4QFY26	1QFY27	2QFY27
Volumes (m Cases)									
- P&A	12.9	14.9	13.6	12.6	14.4	14.6	13.1	12.4	14.2
- Popular	2.5	3.2	3.1	2.4	2.2	2.9	2.6	2.1	1.6
Total volume	**15.4**	**18.2**	**16.7**	**15.0**	**16.6**	**17.6**	**15.7**	**14.5**	**15.8**
Change YoY (%)									
- P&A	-4%	11%	9%	9%	12%	-2%	-3%	-1%	-1%
- Popular	-8%	6%	-2%	12%	-12%	-9%	-16%	-14%	-30%
Total	**-4%**	**10%**	**7%**	**9%**	**8%**	**-3%**	**-6%**	**-3%**	**-5%**
Segment Revenues (INR m)	**2QFY25**	**3QFY25**	**4QFY25**	**1QFY26**	**2QFY26**	**3QFY26**	**4QFY26**	**4QFY26**	**4QFY26**
- P&A	25,270	30,630	26,160	22,510	28,840	33,160	27,450	24,780	30,650
- Popular	2,550	3,340	3,120	2,500	2,340	3,180	2,710	2,060	1,810
Net Revenue	**27,820**	**33,970**	**29,280**	**25,010**	**31,180**	**36,340**	**30,160**	**26,840**	**32,460**
Other operating rev (INR m)	610	350	180	480	520	490	300	190	120
Total Revenue	**28,430**	**34,320**	**29,460**	**25,490**	**31,700**	**36,830**	**30,460**	**27,030**	**32,580**
Change YoY (%)									
- P&A	0%	16%	13%	9%	14%	8%	5%	10%	6%
- Popular	-7%	10%	1%	14%	-8%	-5%	-13%	-18%	-23%
Net revenue (%)	**0%**	**15%**	**12%**	**9%**	**12%**	**7%**	**3%**	**7%**	**4%**
Total revenue (%)	**-1%**	**15%**	**11%**	**8%**	**12%**	**7%**	**3%**	**6%**	**3%**



Highlights from the management commentary

Demand environment

- Consumer sentiment remained soft due to the prolonged West Asia crisis, a weaker monsoon, and inflation. The pressure is concentrated at the bottom end (India 1, the lower half of IMFL), while the rest of the segments are holding up. Rural markets have not yet felt the monsoon impact, and management remains optimistic about the India consumption story.
- The management indicated that festive period is delayed this year on Puja and Eid timing, so Oct-Dec to capture the full benefit.
- Luxury segment delivered strong growth and premiumisation accelerated on primarily on Scotch (the relaunched J&B) and Smirnoff.
- Whites (vodka and tequila) are growing strongly across price tiers.
- Popular is ~6% of revenue, mostly McDowell's rum under the same trademark, and is hit by the continuing Maharashtra impact and the Karnataka policy impact.
- Ex-Maharashtra, 1HFY27 growth was ~10.5% including the Karnataka tailwind, and Karnataka P&A grew ~30% in both volume and value.
- **Management maintained its double-digit P&A growth aspiration for FY27.**
- Maharashtra's policy-led disruption is nearly absorbed into the base, with the last MML brands lapping from 3Q, which should add 2-3% to P&A growth and lift it to 9-9.5%. The balance toward the ~12% 2HFY27 run-rate should come from McDowell's and innovation, and Maharashtra is expected to return to growth.

Cost and Margins

- The West Asia impact was ~INR500m across glass, energy, packaging and logistics, and is now treated as business as usual.
- ENA was deflationary in 1Q but is turning inflationary on El Niño concerns, and management expects the full FTA benefit to offset it, so gross margin should hold sequentially next quarter.
- Gross margin expanded QoQ on premiumization mix and the FTA, with all consignments at the concessional duty rate from 15 July.
- UNSP remains margin-capped on the DIAGEO portfolio, so FTA benefits on that product do not flow to margin.

Royal Challengers transactions

- CCI has approved and BCCI due diligence is at an advanced stage.
- Management expects the transaction to be completed by mid-December.

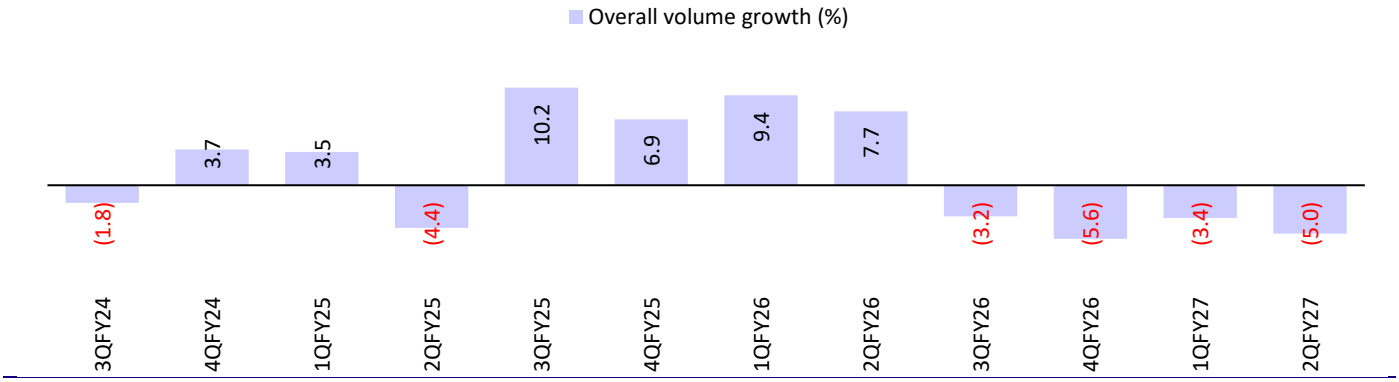
India-UK FTA

- Lower BIO prices should reach consumers within ~30 days and the volume response will be visible over 3-4 months.
- UNSP stated that the states have approved cost cards without pushing back, price benefits are being passed to consumers, and the intent is revenue growth.

Brand performance

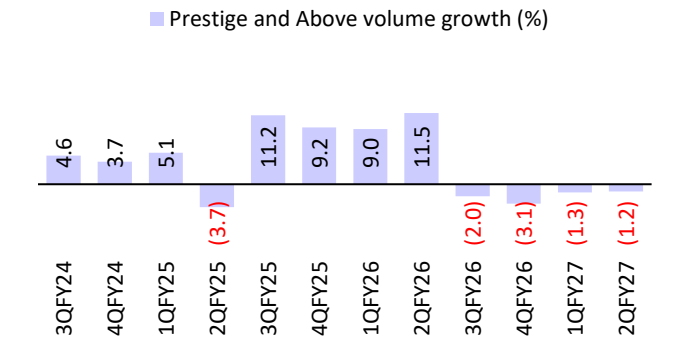
- The McDowell's No.1 renovation (liquid, glass and PET packaging, communication) has reached 80-85% of salient markets, with a mixed national response.
- McDowell's is doing very well in West Bengal and Rajasthan and ahead of expectations in UP and Haryana (non-leader markets), while conservative leader markets raised acceptance concerns that packaging changes are addressing, with improvement expected through November-end.
- J&B was relaunched as a 100% Scotch at a sharper price point enabled by the FTA, aimed at younger LDA (legal drinking age) recruitment, and is available in ~60% of the country after nine months of preparation.
- Smirnoff is on track for INR10b+ NSV in FY27, with new Kaccha Mango and Coffee Toffee flavors alongside Minty Jamun and Mirchi Mango.
- Smirnoff Ice RTD (4.8% and 8% ABV) has launched in Goa and Mumbai, with Bangalore next, priced competitively vs. beer on the same go-to-market plus chilled distribution.
- Smirnoff Ice is too small to move numbers now, with serious contribution seen in 2-3 years, and an RTD drinker is ~3x more likely to evolve to core spirits.

Exhibit 1: Overall volume growth declined 5% YoY, reaching 15.8 m cases in 2QFY27



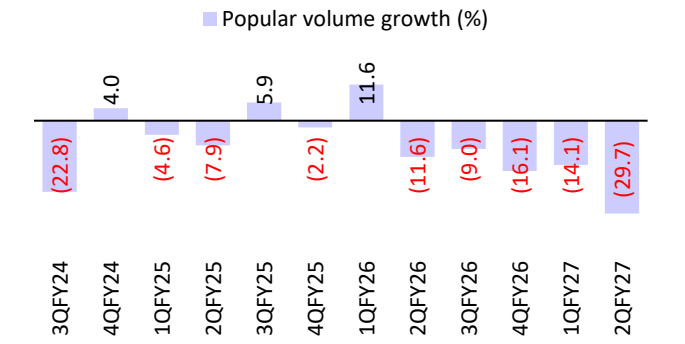
Source: Company, MOFSL

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



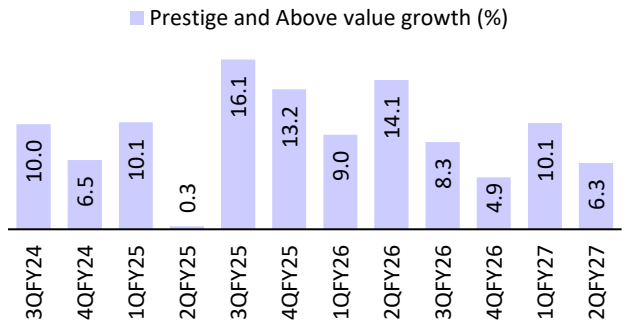
Source: Company, MOFSL

Exhibit 3: Popular volumes (%) down 30% YoY in 2QFY27



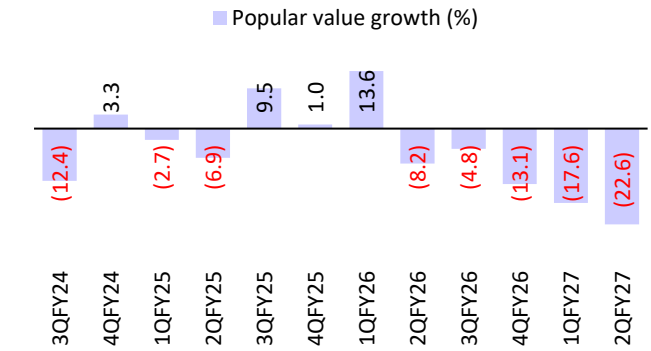
Source: Company, MOFSL

Exhibit 4: Value growth in P&A stood at 6.3% YoY



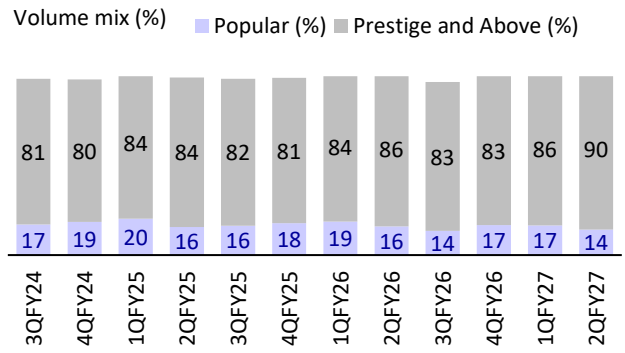
Source: Company, MOFSL

Exhibit 5: Popular sales down 22.6% YoY in 2QFY27



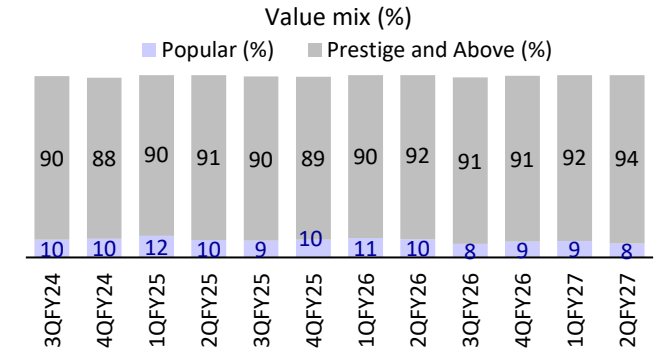
Source: Company, MOFSL

Exhibit 6: Contribution of P&A volumes stood at 90%...



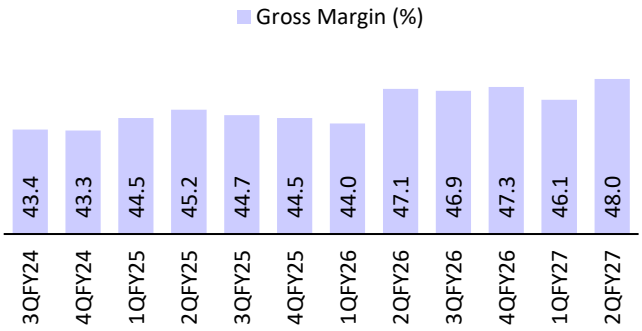
Source: Company, MOFSL

Exhibit 7: ...while that of value stood at 94%



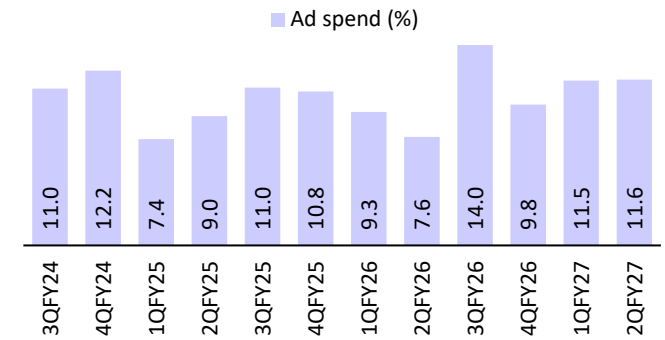
Source: Company, MOFSL

Exhibit 8: Gross margin expanded 90bp YoY to 48%



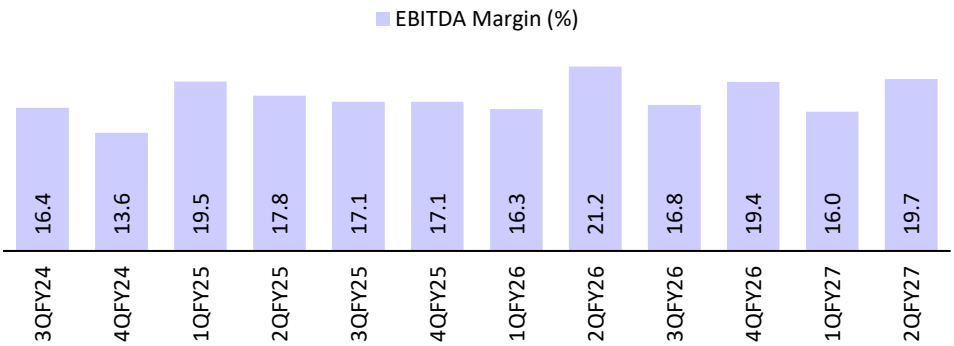
Source: Company, MOFSL

Exhibit 9: Ad spending up 57% YoY at 11.6% of sales



Source: Company, MOFSL

Exhibit 10: EBITDA margin contracted 150bp YoY to 19.7% in 2QFY27



Source: Company, MOFSL

Valuation and view

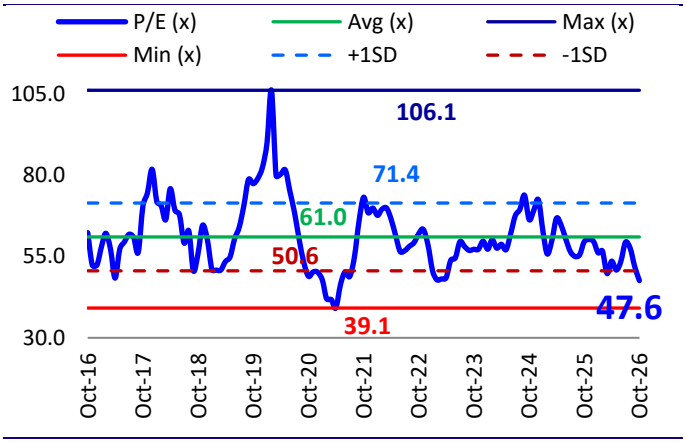
- We broadly maintain our EPS estimates for FY27-FY28.
- Management reiterated its double-digit P&A growth aspiration for FY27. MML anniversarization from 3Q is expected to add 2-3% to P&A growth, taking it to ~9.5%; McDowell's and innovation are expected to bridge the gap to the ~12% run-rate targeted for 2HFY27. Smirnoff is on track to exceed INR10b in FY27 NSV, while J&B and Smirnoff Ice RTD provide further growth avenues going forward.
- Key monitorables include McDowell's renovation acceptance, normalization of the Maharashtra base, benefits from Karnataka policy changes (6–7% of revenue), gradual gains from the India-UK FTA, and continued momentum in the P&A portfolio. The RCB transaction is expected to close by mid-December.
- We model a revenue and EBITDA CAGR of 9% and 12% over FY26-29E, respectively. **We reiterate our Neutral rating with a TP of INR1,375.**

Exhibit 11: We broadly maintain our EPS estimates over FY27-FY28

	New		Old		Change (%)	
INR b	FY27E	FY28E	FY27E	FY28E	FY27E	FY28E
Total Income	135.4	148.1	136.8	149.7	-1.0	-1.0
EBITDA	25.2	28.7	24.5	27.8	3.1	3.2
Adjusted PAT	18.1	20.3	17.8	20.0	1.8	1.4

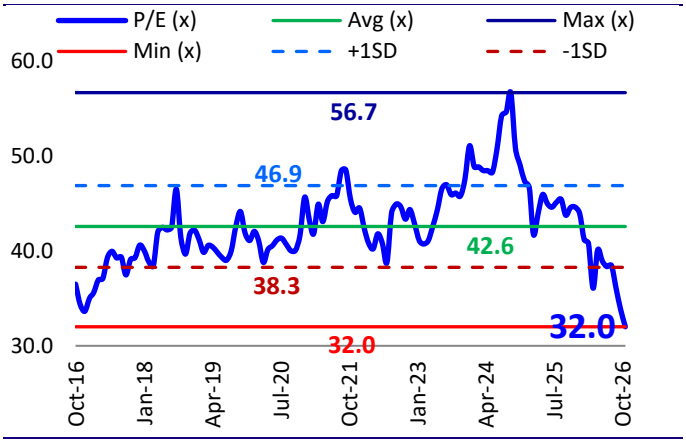
Source: Company, MOFSL

Exhibit 12: UNSP P/E



Source: Company, MOFSL

Exhibit 13: Consumer P/E



Source: Company, MOFSL

Financials and valuations

Income Statement - Standalone									(INR m)
United Spirits	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**	**2029E**
Gross revenue	**2,71,764**	**3,07,731**	**2,75,775**	**2,53,890**	**2,67,800**	**2,77,810**	**3,02,098**	**3,30,567**	**3,63,246**
Excise duty	1,92,872	2,13,494	1,72,038	1,46,970	1,52,070	1,53,330	1,66,735	1,82,448	2,00,484
Net Revenue	**78,892**	**94,237**	**1,03,737**	**1,06,920**	**1,15,730**	**1,24,480**	**1,35,363**	**1,48,119**	**1,62,762**
Change (%)	-13.2	19.5	10.1	3.1	8.2	7.6	8.7	9.4	9.9
Gross Profit	**34,210**	**41,398**	**43,019**	**46,440**	**51,760**	**57,820**	**64,297**	**71,467**	**78,939**
Margin (%)	43.4	43.9	41.5	43.4	44.7	46.4	47.5	48.3	48.5
EBITDA	**9,877**	**15,104**	**14,187**	**17,080**	**20,580**	**22,960**	**25,245**	**28,661**	**32,186**
Change (%)	-34.4	52.9	-6.1	20.4	20.5	11.6	10.0	13.5	12.3
Margin (%)	12.5	16.0	13.7	16.0	17.8	18.4	18.7	19.4	19.8
Depreciation	-2,493	-2,886	-2,706	-2,640	-2,740	-2,830	-2,978	-3,229	-3,548
Int. and Fin. Charges	-1,658	-880	-1,039	-910	-890	-1,140	-1,220	-1,100	-990
Other Income	478	337	742	1,560	2,130	2,640	2,640	2,825	3,023
Profit before taxes	**6,204**	**11,675**	**11,184**	**15,090**	**19,080**	**21,630**	**23,687**	**27,157**	**30,670**
Change (%)	-45.3	88.2	-4.2	34.9	26.4	13.4	9.5	14.6	12.9
Margin (%)	7.9	12.4	10.8	14.1	16.5	17.4	17.5	18.3	18.8
Tax	1,587	1,606	2,376	3,740	4,980	5,100	5,803	6,835	7,720
Tax Rate (%)	25.6	13.8	21.2	24.8	26.1	23.6	24.5	25.2	25.2
Adjusted PAT	**4,418**	**9,679**	**9,235**	**11,400**	**14,293**	**16,935**	**18,084**	**20,321**	**22,951**
Change (%)	-44.1	119.1	-4.6	23.4	25	18	7	12	13
Margin (%)	5.6	10.3	8.9	10.7	12.4	13.6	13.4	13.7	14.1
Non-rec. (Exp)/Income	-1,514	-1,560	1,709	1,766	1,480	1,770	800	0	0
Reported PAT	**3,103**	**8,509**	**10,517**	**13,116**	**15,580**	**18,300**	**18,684**	**20,321**	**22,951**

Balance Sheet									(INR m)
United Spirits	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**	**2029E**
Share Capital	1,453	1,453	1,455	1,450	1,450	1,450	1,450	1,453	1,453
Reserves	39,815	47,470	57,990	68,180	77,340	85,760	1,04,444	1,24,765	1,47,716
Minority Interest	0	0	0	0	0	0	0	0	0
Net Worth	**41,268**	**48,923**	**59,445**	**69,630**	**78,790**	**87,210**	**1,05,894**	**1,26,218**	**1,49,169**
Loans	6,556	3,417	11	0	0	0	0	0	0
Deferred Tax Liabilities	-1,711	-1,428	-1,573	-1,770	-1,550	-2,840	-3,124	-3,436	-3,780
Capital Employed	**46,113**	**50,912**	**57,883**	**67,860**	**77,240**	**84,370**	**1,02,770**	**1,22,782**	**1,45,389**
Net Fixed Assets	**13,008**	**14,866**	**11,821**	**11,060**	**13,310**	**12,230**	**14,252**	**16,023**	**16,475**
Capital WIP	865	957	828	370	720	700	525	394	295
Goodwill	0	0	0	0	0	0	0	0	0
Investments	2,021	4,390	4,870	9,620	11,820	15,120	14,970	14,827	14,691
Curr. Assets, L&A	**63,807**	**65,586**	**76,622**	**84,600**	**99,780**	**1,07,750**	**1,28,732**	**1,52,234**	**1,80,326**
Inventory	19,810	21,643	22,300	20,630	23,050	26,590	27,814	30,435	33,444
Account Receivables	21,601	23,021	23,828	31,280	36,280	39,430	42,877	46,918	51,556
Cash and Bank	713	328	8,496	12,090	17,730	18,820	33,761	48,840	67,205
Others	21,683	20,594	21,998	20,600	22,720	22,910	24,280	26,040	28,121
Curr. Liab. and Prov.	**33,588**	**34,887**	**36,258**	**37,790**	**48,390**	**51,430**	**55,709**	**60,695**	**66,398**
Account Payables	13,813	15,279	17,383	18,270	21,520	23,770	25,848	28,284	31,080
Other Liabilities	14,321	14,600	15,037	15,700	22,980	22,270	23,995	25,990	28,261
Provisions	5,454	5,008	3,838	3,820	3,890	5,390	5,866	6,421	7,057
Net Current Assets	**30,219**	**30,699**	**40,364**	**46,810**	**51,390**	**56,320**	**73,023**	**91,539**	**1,13,928**
Application of Funds	**46,113**	**50,912**	**57,883**	**67,860**	**77,240**	**84,370**	**1,02,770**	**1,22,782**	**1,45,389**

E: MOFSL Estimates

Financials and valuations

Ratios									
United Spirits	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**	**2029E**
Basic (INR)									
EPS	**6.1**	**13.3**	**12.7**	**15.7**	**19.7**	**23.4**	**24.9**	**28.0**	**31.6**
Cash EPS	9.5	17.3	16.4	19.4	23.5	27.3	29.1	32.4	36.5
BV/Share	56.8	67.3	81.8	95.8	108.5	120.0	145.8	173.7	205.3
DPS	0.0	0.0	0.0	7.0	8.0	8.0	16.0	18.0	20.0
Dividend Payout %	0.0	0.0	0.0	44.5	40.6	34.2	64.1	64.4	63.3
Valuation (x)									
Market Price	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229	1,229
P/E	202.1	92.2	96.8	78.2	62.3	52.6	49.3	43.9	38.9
Cash P/E	129.2	71.1	74.9	63.5	52.3	45.1	42.3	37.9	33.7
EV/Sales	2.3	1.9	1.6	1.5	1.3	1.2	1.0	0.8	0.6
EV/EBITDA	90.8	59.0	62.1	50.9	41.9	37.3	33.4	28.9	25.2
P/BV	21.6	18.3	15.0	12.8	11.3	10.2	8.4	7.1	6.0
Dividend Yield (%)	0.0	0.0	0.0	0.6	0.7	0.7	1.3	1.5	1.6
Return Ratios (%)									
RoE	10.7	19.8	15.5	16.4	18.1	19.4	17.1	16.1	15.4
RoCE	11.3	22.3	17.7	19.1	20.3	21.5	20.1	18.7	17.7
RoIC	11.5	24.0	20.3	24.3	28.4	31.8	32.6	33.9	35.2
Working Capital Ratios									
Debtor (Days)	100	89	84	107	114	116	116	116	116
Asset Turnover (x)	1.7	1.9	1.8	1.6	1.5	1.5	1.3	1.2	1.1
Creditor (Days)	63.9	59.2	61.2	62.4	67.9	69.7	69.7	69.7	69.7
Inventory (Days)	91.7	83.8	78.5	70.4	72.7	78.0	75.0	75.0	75.0
Leverage Ratio									
Debt/Equity (x)	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Cash Flow Statement									(INR m)
United Spirits	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027E**	**2028E**	**2029E**
Profit before tax	6,204	11,675	12,890	16,860	20,560	23,400	23,687	27,157	30,670
Non-operating & EO Items	-478	-337	-2,170	-2,240	-2,860	-3,570	-2,640	-2,825	-3,023
Depreciation and Amort.	2,493	2,886	2,706	2,640	2,740	2,830	2,978	3,229	3,548
Interest Paid	1,658	880	1,039	910	890	1,140	1,220	1,100	990
Direct Taxes Paid	-1,587	-1,606	-2,970	-3,130	-1,730	-3,340	-5,803	-6,835	-7,720
Incr/Decr in WC	7,178	-1,100	-5,740	-5,760	-3,540	-5,630	-826	-2,181	-2,522
CF from Operations	**15,468**	**12,398**	**5,755**	**9,280**	**16,060**	**14,830**	**18,616**	**19,645**	**21,944**
Interest income	1,793	1,507	1,060	8,270	-5,540	-2,330	2,040	2,825	3,023
(Incr)/Decr in FA	-1,832	-4,836	-1,130	-790	-1,610	720	-4,825	-4,869	-3,902
Free Cash Flow	**13,636**	**7,562**	**4,625**	**8,490**	**14,450**	**15,550**	**13,791**	**14,776**	**18,042**
(Pur)/Sale of Investments	3,532	370	-150	-2,820	-2,350	-1,740	-1,071	-1,424	-1,711
Other investing items	-2,829	-6,975	7,633	-5,956	4,350	4,040	2,000	3	0
CF from Invest.	**664**	**-9,934**	**7,413**	**-1,296**	**-5,150**	**690**	**-1,856**	**-3,465**	**-2,590**
Incr/Decr in Debt	-14,174	-3,139	-3,390	0	0	0	0	0	0
Others	-1,590	290	-1,610	-1,480	-1,770	-1,800	-1,820	-1,100	-990
CF from Fin. Activity	**-15,764**	**-2,849**	**-5,000**	**-4,390**	**-5,270**	**-14,430**	**-1,820**	**-1,100**	**-990**
Incr/Decr of Cash	**368**	**-385**	**8,168**	**3,594**	**5,640**	**1,090**	**14,941**	**15,080**	**18,364**
Add: Opening Balance	345	713	328	8,496	12,090	17,730	18,820	33,761	48,840
Closing Balance	**713**	**328**	**8,496**	**12,090**	**17,730**	**18,820**	**33,761**	**48,840**	**67,205**

E: MOFSL Estimates

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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.

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