Research Report

Radico Khaitan Limited

Prepared By-

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About

Incorporated in the year 1943, Radico Khaitan is one of the most recognised IMFL (Indian Made Foreign Liquor) brands in India.

The company was initially known as Rampur Distillery Company and was focussed on distillation and bottling for branded players and canteen stores of armed forces.

Later on in the year 1997, Radico Khaitan ventured into its own branded IMFL products and launched its first brand 8PM whisky which became its millionarie brand within a year of its launch.

Business Segments

Domestic Market Share:

Overall Liquor Segment: 8%

Luxury Gin Market: 50%

Overall Vodka Market: 59%

Super-Premium Brandy Market: 64%

The company is one of the oldest and largest manufacturers of Indian Made Foreign Liquor (IMFL), a leading supplier of branded IMFL to the Canteen Stores Department (CSD) in India, and the country's oldest and largest malt distiller. It is also one of the largest exporters of Alcoholic beverages from India to 102+ countries.

Geographical Split

Domestic: 93% in FY24 vs 94% in FY22

Exports: 7% in FY24 vs 6% in FY22

Synopsis of Financials

Q1 FY27: Record quarter; mix-driven profitability step-up

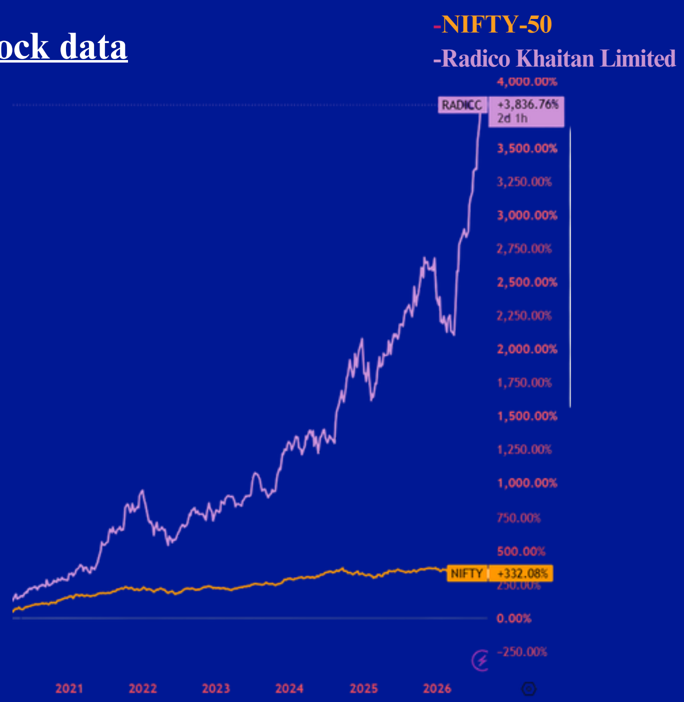
- Highest ever quarterly IMFL volume: 10.0 mn cases (+3% YoY).
- Revenue: ₹1,684 cr; EBITDA: ₹348 cr.
- Gross margin: 49.1%, up +610 bps YoY (+110 bps QoQ).

Source: Company Annual Report

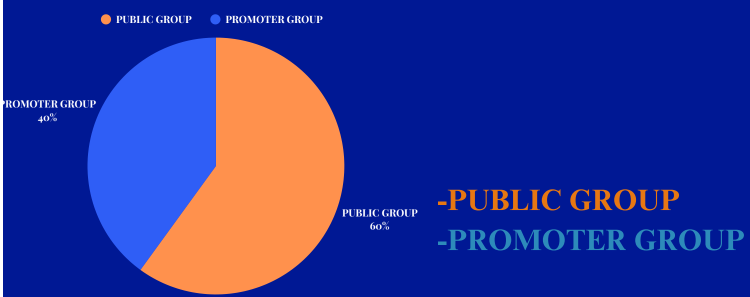
Stock data (as 20th August 2026)

Nifty Price	: 24,240.50
52 week High (in Rs.)	: 4,747.00
52 week Low (in Rs.)	: 2,500.00
Market Cap. (in Crore)	: 62,916.79
NSE Code	: INE944F01028

Stock data



Shareholding Pattern (June 2026)



Financial Summary

Particular	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26
Sales -	2,859	3,133	4,106	4,843	6,037
Sales Growth %	20.44%	9.59%	31.03%	17.95%	24.66%
Expenses +	2,457	2,775	3,599	4,169	5,015
Operating Profit	402	359	507	674	1,022
OPM %	14%	11%	12%	14%	17%
Net Profit +	263	220	262	346	604
EPS in Rs	19.69	16.48	19.61	25.83	45.14
Dividend Payout %	15%	18%	15%	15%	20%

Quaterly Results

Particular	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26
Sales -	1,304	1,506	1,494	1,547	1,504	1,684
YOY Sales Growth %	20.90%	32.51%	33.83%	19.51%	15.31%	11.80%
Expenses -	1,127	1,274	1,256	1,280	1,219	1,335
Material Cost %	57%	57%	56%	53%	52%	51%
Employee Cost %	4%	4%	4%	5%	4%	4%
Operating Profit	178	232	238	267	284	349
OPM %	14%	15%	16%	17%	19%	21%
Other Income -	3	-5	3	-7	10	9
Other income normal	2.82	1.82	2.97	2.61	10.12	8.94
Interest	22	16	16	16	15	12
Depreciation	36	36	37	37	42	41
Profit before tax	123	175	187	206	237	305
Tax %	25%	25%	25%	25%	24%	25%
Net Profit +	92	131	140	155	179	230

Source: Screener

Key Ratios

Key Financial Ratios

Particulars	FY2026	FY2025	Y-o-Y Change
Debtors Turnover (days) (on Gross Sales basis)	21	23	(10.5)%
Inventory Turnover (days) (on Gross Sales basis)	22	23	(0.5)%
Creditor Turnover (days) (on Gross Sales basis)	35	34	1.7%
Interest Coverage Ratio (x)	13.54	7.28	85.8%
Current Ratio (x)	1.92	1.63	17.5%
Debt Equity Ratio (x)	0.10	0.23	(56.4)%
EBITDA Margin (%)	16.8%	13.8%	305 bps
Total Comprehensive Income Margin (%)	9.9%	7.0%	289 bps
Return on Equity (%)	20.2%	13.5%	674 bps
Return on Capital Employed (%)	25.1%	16.4%	866 bps

Source: Company Annual Report

Yearly Results

Particulars	March 2022	March 2023	March2024	March2025	March2026
Equity Capital	27	27	27	27	27
Reserves	2,000	2,181	2,413	2,727	3,289
Borrowings	202	754	818	750	498
Other Liabilities	555	762	846	1,163	1,181
Total Liabilities	2,784	3,724	4,104	4,668	4,995
Fixed Assets	821	1,234	1,700	1,811	1,910
CWIP	30	327	54	23	76
Investments	175	191	198	198	240
Other Assets	1,757	1,971	2,152	2,635	2,769
Total Assets	2,784	3,724	4,104	4,668	4,995

Source: Screener

Synopsis Quarter Results

Concall Notes - Aug-2026: Key Highlights

Q1 FY27: Record quarter; mix-driven profitability step-up

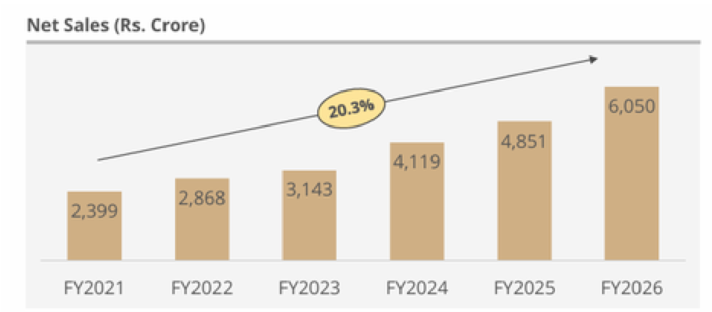
- Highest ever quarterly IMFL volume: 10.0 mn cases (+3% YoY).
- Revenue: ₹1,684 cr; EBITDA: ₹348 cr.
- Management attributes performance to premiumization + execution, citing "richer product mix, disciplined cost management and continued operational excellence," alongside expanded luxury distribution, stronger advocacy/consumer experiences, and higher on-trade presence.

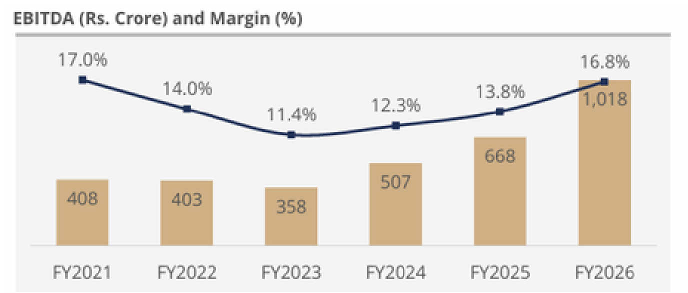
Margin structure: step-change sustained by mix + benign inputs; 20% EBITDA guided

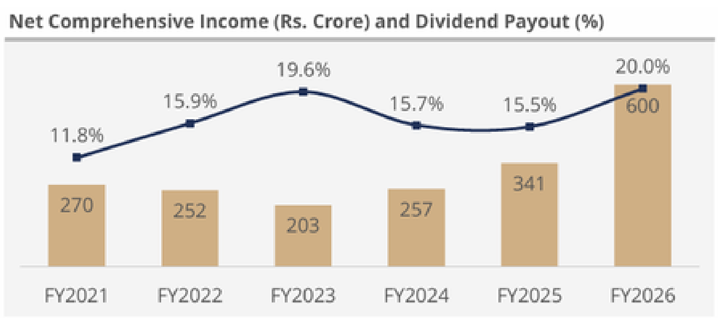
- Gross margin: 49.1%, up +610 bps YoY (+110 bps QoQ).
  - Drivers: "benign raw material scenario coupled with ongoing premiumization."
  - Raw material contributed ~75 bps to gross margin expansion.
  - Packaging materials volatility caused ~₹30 cr impact (headwind acknowledged).
  - Price increase impact: ~75 bps in Q1 FY27.

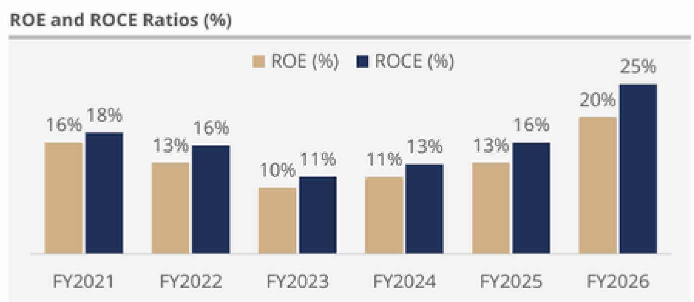
- **EBITDA margin: 20.7%** (highest ever), up **+536 bps YoY**.
- Segment margin split disclosed:
  - IMFL EBITDA margin: "23% plus"
  - Non-IMFL margin: ~11%–11.5%; CFO says historically 8%–11%, dipped to 6%–7% during inflation, and now considered sustainable.
- Net debt reduced by ₹138 cr since March 2026; management expects to be net debt free by Q2 FY27.

Highlights









Source: Investor Presentation

Peer Comparison

Peer Stock Performance (5Y) Indexed

Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
United Spirits	1,532.5	60.0	110,441.0	1.0	463.0	-20.5	2708.0	-10.4	26.4
Radico Khaitan	4695.9	87.7	62918.1	0.2	229.6	69.2	1683.7	11.8	24.2
United Breweries	1334.6	103.6	35797.8	0.7	166.3	-9.5	3066.9	7.1	10.7

Source: Screener

Final Outlook

RADICO : HOLD| LTP: 4695.90

Summary

Radico Khaitan has demonstrated strong business and financial performance, supported by consistent revenue growth, improving profitability, and successful premiumization of its product portfolio. The company achieved record performance in Q1 FY27, with strong IMFL volumes, higher revenue, and a significant improvement in EBITDA margins. Its established brands, growing presence in premium and luxury segments, and international operations provide a strong foundation for long-term growth. The reduction in net debt and expectation of becoming debt-free further strengthen the company's financial position.

Recent Performance – Q1 FY27

Radico Khaitan delivered a record Q1 FY27, supported by premiumization and a better product mix.

- IMFL volume reached a record 10.0 million cases, up 3% YoY.
- Revenue stood at ₹1,684 Cr, up 11.8% YoY.
- Operating profit increased to approximately ₹349 Cr.
- EBITDA margin reached a record 20.7%, up significantly YoY.
- Gross margin improved to 49.1%, supported by favourable raw-material costs and premiumization.
- Management expects the improved margin structure to remain sustainable, with 20% EBITDA margin guidance.
- Net debt reduced by ₹138 Cr since March 2026, with management expecting the company to become net-debt free by Q2 FY27.

Radico Khaitan is a strong and growing player in India's premium spirits market, with improving margins, strong brand recognition, and healthy financial performance. The company's premiumization strategy is helping it move towards higher-margin products, while its growing luxury portfolio and international presence provide additional growth opportunities.

The company's record Q1 FY27 performance, improving EBITDA margins, strong earnings growth, and declining debt are positive indicators for the future

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