

RKL/SX/2026-27/14

May 12, 2026

BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street
Mumbai – 400001
Scrip Code: 532497

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot no. C/1,
G Block, Bandra-Kurla Complex, Bandra (E)
Mumbai – 400051
Scrip code: RADICO

Subject: Transcript of Earnings Conference Call

Ref: Disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/Madam,

In continuation to our letter no. RKL/SX/2026-27/06 dated April 29, 2026 and pursuant to Regulation 30 of the Listing Regulations, please find enclosed herewith the Transcript of Earnings Conference Call for Analysts and Investors held on May 7, 2026, for Quarter and financial year ended March 31, 2026.

The transcript is also being disseminated on the Company's website at <https://radicokhaitan.com/investor-relations/>

This is for your information and records.

Thanking You,
For **Radico Khaitan Limited**

Dinesh Kumar Gupta
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Radico Khaitan Limited

(BSE: 532497; NSE: RADICO)

Fourth Quarter and Full Year FY2026

Earnings Conference call

May 7, 2026

Management Participants:

Mr. Abhishek Khaitan, Managing Director

Mr. Dilip Banthiya, Chief Financial Officer

Mr. Sanjeev Banga, President – International Business

Mr. Sudhir Upadhyay, Chief Sales Officer

Presentation:

Moderator: Ladies and Gentlemen, Good Day and Welcome to the Radico Khaitan limited Q4 FY26 Earnings Conference Call hosted by DAM Capital Advisors.

As a reminder, all participant lines will be in a listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Abhishek Mehra. Thank you. And over to you, sir.

Before we begin our presentation, I would like to remind you that some of the statements made in today's conference call may be forward-looking in nature and may involve risks and uncertainties. Kindly refer to the last slide of our earnings presentation for the detailed disclaimer.

Abhishek Mehra: Thank you. Good evening, everyone. We would like to thank Radico Khaitan's Management for providing DAM Capital with the opportunity to host Q4 FY26 Earnings Call.

Today, we have with us, Mr. Abhishek Khaitan – Managing Director, Mr. Dilip Banthiya – CFO, Mr. Sanjeev Banga – President (International Business), and Mr. Sudhir Upadhyay – Chief Sales Officer.

Now, I would like to hand over the call to Mr. Abhishek Khaitan for his Opening Remarks. Thank you. And over to you sir.

Abhishek Khaitan: Good afternoon, ladies and gentlemen and thank you for joining us on Radico Khaitan's Q4 FY26 Earnings Conference Call.

FY2026 has been an important year for Radico Khaitan and in many ways an inflection point in our journey. The business delivered a strong performance supported by disciplined execution, a richer portfolio mix and a continued focus on value-led growth. During the year, we crossed two key milestones with net revenue exceeding INR 6,000 crores and EBITDA crossing INR 1,000 crores.

These achievements reflect the sustainability of our business model, the strength of our brands, the investments we have made over the years, and the growing scale of our premium and luxury portfolio.

Our Prestige & Above segment continue to lead growth while our Luxury portfolio delivered sales value of INR 475 crores, in line with our guidance. We expect to sustain this growth momentum and deliver 25% [value] growth in FY27 in this portfolio.

Our recently launched Luxury-brands, Rampur 1943 Virasat Indian Single Malt and The Spirit of Kashmir Luxury Vodka are gaining strong traction with consumers and the trade. In February this year, globally renowned whisky expert and author of The Whisky Bible, Jim Murray was in India for an exclusive tasting event of Virasat. He also visited Rampur for the opening of our latest stillhouse. His earlier visit to Rampur was nearly three decades ago when our first malt plant was just a couple of years old. Our current single malt portfolio not only showcases the craftsmanship behind various expressions but also reflects the growing international interest in Indian single malts.

Alongside this, our broader premium portfolio continues to scale steadily across key markets, supported by sharper execution and increasing consumer pull.

Royal Ranthambore Whisky delivered an outstanding performance, growing over 50% during the year, driven by strong demand across both civil and CSD channels.

Magic Moments Vodka continued its strong trajectory with 21% volume growth during the year to reach 8.6 million cases and around INR 1,500 crores in sales value, further strengthening its leadership in the vodka category. During Q4, Magic Moments registered a 28% year-on-year growth. New flavour innovations including Flavours of India category are contributing to this robust momentum. Going forward, we will continue to add more flavours as we lead disruptive growth in the category.

After Dark Whisky continued to deliver strong performance, recording over 60% growth and crossing 3.1 million cases during the year.

We also continue to deepen consumer engagement through focused marketing, on-trade activations and brand advocacy initiatives. The Royal Ranthambore Limited Edition Pack celebrating India's six legendary tigers brought together premium storytelling with a strong message around wildlife conservation. Our experiential campaigns and focused digital engagement further helped us connect with younger consumers in a more authentic manner.

As we have discussed earlier, the on-trade channel continues to be a strategic priority for us. Over the last two years, we have made significant progress in building a stronger foundation and the results have been in line with our expectations. In FY27, we will further scale our on-trade agenda across advocacy, distribution expansion, key account partnerships and airports. These initiatives will enhance visibility, trials, consumer experiences and premium brand activations, strengthening the reach and salience of our luxury and premium portfolio.

From a financial performance perspective, the year has been encouraging. A better portfolio mix, relatively benign input costs and the benefits of scale have helped us to improve margins and return. We will, however, continue to monitor the global environment closely, especially developments in West Asia, given the possible implications for supply chain and input costs.

Looking ahead, the consumer environment remains supportive, and we remain confident about Radico Khaitan's long-term growth opportunity. Our focus will remain on building our premium and luxury portfolio investing behind the innovation and brand equity.

During FY27, we expect to grow our Prestige & Above portfolio volume by 20% and expect our EBITDA margin to expand by 125 basis points for the full year.

With that, I would now like to hand over the call to our CFO, Dilip Banthiya, for a detailed review of our financial and operational performance. Thank you. Over to you, Dilip.

Dilip Banthiya:

Thank you, Abhishek. Thank you everyone for joining us on this call today.

FY2026 was a milestone year for Radico Khaitan, with robust operating performance translating into higher profitability, improved return ratios and enhanced free cash flow generation. The result demonstrates the power of our premiumisation strategy, growing scale advantages, input cost stability and disciplined financial management.

During Q4 FY26, we delivered a strong all-round performance, with total IMFL volume of 9.52 million cases, reflecting a 4% increase on year-on-year basis. The Prestige & Above category continued its strong

upward trajectory, recording 28% volume growth. This performance was supported by strong brand momentum and premiumisation-led mix improvement. Regular volume degrowth was due to a higher base in Q4 FY25 after the change in the route to the market in the state of Andhra Pradesh and the impact of policy changes in Maharashtra and Karnataka.

On the profitability front, gross margin during the quarter was 48%, representing an expansion of 450 basis points on year-on-year basis and 150 basis points sequentially. The improvement was led by better portfolio mix, softer raw material prices and ongoing premiumisation. We continue to monitor the evolving situation in West Asia and are confident of our margin expansion trajectory over the mid-to-long term.

EBITDA margin during the quarter stood at 19%, expanding 565 basis points year-on-year, highest ever EBITDA margin, reflecting the strength of our premiumisation strategy, operating leverage and continued cost discipline. This margin performance is an important outcome of the investments we have made over the years in building our premium and luxury portfolio.

The improvement in profitability has also translated into stronger return ratios. Higher operating profit and better asset utilization have contributed to improved ROE and ROCE. As the Prestige & Above and luxury portfolio continues to scale, we expect further improvement in the overall capital efficiency of the business.

Turning to the balance sheet, net debt reduced by INR 329 crores during the year, driven by improved profitability and cash flow generation. Our balance sheet remains strong, and we are on track to become debt-free in H1 FY27. Capital allocation continues to be prudent and selective with ongoing Capex largely directed toward maintenance, efficiency improvement and essential capacity optimization.

In line with our commitment to the shareholder value, the Board has articulated a strong dividend policy with a minimum payout of 20% of profit after tax. This reflects our confidence in the cash generation capability of the business while maintaining adequate flexibility to invest behind future growth opportunities.

Looking ahead, while we remain mindful of our external volatility, the current cost environment, operating leverage benefits and financial discipline provide comfort on margin sustainability and cash flow generation. Our focus will remain on driving profitable growth, strengthening the balance sheet, improving return ratios and enhancing shareholder value.

With that, we now open the line for question-answers.

Question & Answer:

Moderator: We will now begin the question-and-answer session. The first question is from the line of Aditya Soman from CLSA. Please go ahead.

Aditya Soman: Hi, good evening and thanks for the opportunity. Sir, two questions. Firstly, can you throw some light on sort of new product launch plans for Fiscal '27 particularly in the Prestige & Above and luxury space? And second, your 125 basis points EBITDA margin expansion is fairly robust given the commodity environment. So, how do you plan to mitigate the higher commodity cost? And is this margin expansion over full year '26 or 4Q '26?

Abhishek Khaitan: To answer your first question about the new launches, if you see in the last year itself, we have launched three-four brands in the luxury as well as the P&A category. So, we want to consolidate that. That will be our first objective and take it nationally like our Virasat Indian Single Malt, The Spirit of Kashmir. Right now, it is in 10 states, we want to take it to 20 states. So, that will be our prime focus. Plus, we have launched new flavours of Magic like Jamun, Mango, Thandai, which we are going to again take nationally. And in the coming year what we feel we are going to launch is some more flavours in the Magic family and those will be also in the Flavours of India category. Also at the end of the year we will be coming out with Tequila in D'YAVOL Spirits. So, these are our launch plans.

Dilip Banthiya: So, on the margin front, as you noticed that in last quarter we have improved our gross margin by 450 basis points and EBITDA margin by 565 basis points and we are quite confident to add 120 basis points to 125 basis points margins in the coming year '27. So, this is on annualized basis. We have got the price increases in some of the states which amount to be around 60 basis points. At the same time product premiumisation and operating leverage will yield us more than 200 basis points. So, we will be more than mitigating the impact of the cost

push and thereafter also we are confident to deliver 120 basis points to 125 basis points margin expansion.

Aditya Soman: That is very clear. Thanks very much. And just one follow-up on the margins. So, will there also be some unlock given that you had a large number of new launches last year and so I am assuming there was a huge marketing spend behind that, so could there be some unlock in marketing spend as well given that the number of new launches is lower?

Dilip Banthiya: We have been consistent in our policy on spending in the marketing and as we have always guided that 6% to 8% is the bracket where we spend the marketing expenses depending on the new launches and our existing flagship brand. So, we will balance out in that. Our top line has grown by 25% this year also. So, the increase in top line will further increase the quantum of the marketing expenses.

Aditya Soman: Perfect. That is very clear. Thanks so much.

Moderator: Thank you. The next question is from the line of Vishal Gutka from ASK Investment Managers. Please go ahead.

Vishal Gutka: Thank you. Congrats on good set of numbers. Three questions from my side. First is on Karnataka State. Now with the new policy announced by the state, the pricing differences between regular and premium has come down, so how do you plan to capture that given that the gap has come down a bit, driving the premiumisation and upgradation agenda that we have? Second question is around West Bengal. Now there is a change in government that has happened. Do you think there could be a meaningful change in the way the market operates and if we can provide a framework as of now how the market is operating as on this? The third question is on Bihar State. We are hearing murmurs that prohibition could be uplifted. If you can provide an update that you are aware about? Thank you.

Sudhir Upadhyay: So, first of all regarding Karnataka which you had asked, yes, we have seen last time when Karnataka rationalized the pricing for the premium brands, there was a significant growth which has come on the premium brands. And since we have the portfolio of the premium brands like Rampur, Jaisalmer, Royal Ranthambore, etc., it is very well established there. We also gained the advantage on account of this price rationalization which has been done almost a year and a half back. Now, this time also we are anticipating the government is

working on similar line. Although the official announcement is not there, in that case, if it is going to be there, we will certainly be benefited with that. Your second point is regarding West Bengal. West Bengal, it is too early to preempt anything because there is a change which is recently been made. So, we will wait and watch on what is happening in West Bengal, and on the basis of that we will put the strategy there. We had a strong vodka base there, so we will get the benefit of that.

Vishal Gutka: So, is West Bengal an open market or the regulatory state as of now?

Sudhir Upadhyay: No, it is an open market right now. So, they have private retail, etc. But if there are any changes which is going to happen, then we will see accordingly. And in Bihar, we will wait and watch. Before the prohibition we used to have a large consumer base in Bihar and it is a significantly populated state. So, we will wait and watch. In the case if anything happens in Bihar, we will get the benefit of it.

Vishal Gutka: Got it. Wishing you all the best for the future quarters. Thank you.

Moderator: The next question is from the line of Harit Kapoor from Investec. Please go ahead.

Harit Kapoor: Yes. Hi, good evening. So, I just had three questions. One was on the initial comments, Abhishek ji, on the unlock because of the distribution expansion on the luxury portfolio. My understanding was that you have already done a lot of this work. Just wanted to get your sense on how much more this can benefit, whether in terms of more outlets that you can still reach on the on-trade or maybe more products in those same outlets, so what is the potential still of that? The second question was on exports. I am sure you would have taken some impact in the last six months because of tariffs, etc., I just wanted to kind of get your thought on how fast that segment can grow going forward and how much impact it would have had in '26. And the third question is on the margin bit. The 100 to 125 basis points, are you already including the fact that there will be an India-UK FTA benefit for you possibly in the second half of this fiscal year? Those are my three questions. Thank you.

Abhishek Khaitan: To answer your first question regarding the expansion to the various states and on-trade, I think we see that especially with Virasat, Kashmir, all this has a huge scope of expanding it. And on-trade also, what we had told about two years back with our luxury portfolio has

become a key focus area for Radico. So, we are adding outlets by the day and this year brand advocacy is one of our most important initiatives. We are planning to have about close to 1,000 advocacy sessions in the on-trade. So, I think all these put together, that is why we are confident that our luxury portfolio should grow by 25% in terms of value from INR 475 crores. And as far as exports go, I think Sanjeev will answer that.

Sanjeev Banga: In terms of the US tariffs at 10% it is not make or break especially for the luxury portfolio where the difference on the retail end would be about \$5 to \$6 a bottle. So, that is not substantial. However, the US market as it is, as you would have seen from all the other players as well, whether in the alco bev space or anything else, is on a slightly softer note. But we are all hopeful it will bounce back pretty soon and should not have any major impact on our luxury portfolio.

Dilip Banthiya: Regarding the margin expansion, as you said that UK-India FTA benefit, so 125 basis points expansion is inclusive of all, at the same time there can be some pluses and some minuses. So, we are conservative on our guidance that some something goes on cost push side due the current global environment. So, 125 basis points should be delivered given the current scenario.

Harit Kapoor: Great. That is it from me. I will come back for more. Thank you very much.

Moderator: The next question is from the line of Abhijeet Kundu from Antique Stock Broking. Please go ahead.

Abhijeet Kundu: Yes, thanks for the opportunity and congratulations on a great set of numbers. Just a follow up on the previous question that to just clarify excluding UK FTA and given the current environment Radico is looking at 100 to 125 basis points improvement in margins. Is that right?

Dilip Banthiya: As we said with the current scenario, I cannot predict if it goes much worse than what it is today. If LPG and other things go out of stock and some of the units of glass bottle disrupt their production and all that. Otherwise, we are confident because we see this should not happen and the geopolitical situation also should be taken care of in next 15 to 30 days. And we have a long-standing relationship with our supply chain. So, we are confident about continuity of the supplies. And given these circumstances, we are confident to deliver that until and unless there something goes very, very drastically negative.

Abhijeet Kundu: Okay. And sir, what I understand is Sitapur and Rampur distillery, 50% of it is biomass dependent and less dependent on LPG. So, on an overall basis, things are getting better but assuming that there are issues with LPG supplies, so what happens in that scenario? That is one question. And second question is that in glass prices, are you seeing any inflation right now? What is your dependence on glass, because the major part of it would be glass? And then a lot of alcoholic spirit companies have switched to hipsters and hence a dependence on PET bottles. So, what could be the overall impact in the current scenario if it increases from the current level, just a slight view on that?

Dilip Banthiya: Your first question regarding the power and fuel balancing. So, 90% of our power and fuel in both the plants Sitapur and Rampur is biofuel-driven. So, I am not at all dependent on the LPG. So, it takes care of itself and the biofuel is locally available and there are boilers and turbines etc., which generate power. So, in both the plants we are self-sufficient on our captive basis.

Your second question is regarding the glass. As I said earlier that we have a long-standing relationship with the glass manufacturers. We do not foresee any impact on our glass supply. At the same time there has been some inflation in the glass prices in the last month; around 15% of the glass price has increased. We have factored into our costing and after that also we are talking about margin expansion.

On your third question, as the trend is going around. On the hipster pocket pack, it is a trendier pack and is gaining momentum. So, that is also reducing dependency on glass. So, that is another feature which is coming in the demand point of view and consumer preference point of view and we are promoting that also.

Abhijeet Kundu: Understood, sir. And on a top line front when I look at your growth and the sustainability of that, if we have to look at a 15% to 16% at least revenue growth for the next few years and about a 11% to 12% volume growth, then a significant part of that would come from Magic Moments. Vodka, After Dark, 8PM Black, I do not know how that is moving on, and there is a part of it which Old Admiral, where you got benefited in Andhra. So, if you have to look for this next two years, how would the scenario be in terms of your brand growth? I do not want any figures but which would be the brand that would drive the larger growth, one is your INR 475 crores of luxury portfolio which will grow at about 25%, that we understand very well and that is doing very well?

And what about the other portfolio? How have you seen the MML panning out, has it settled down, because that has impacted a part of Radico's volumes as well?

Abhishek Khaitan: If you see last year our growth of P&A has been 28% and vodka, definitely what we are seeing is a shift towards the white spirits. Like if you see total market share of the white spirit in India is about 4.5%, whereas globally it is 28% to 29%. So, we have still a long way to get that conversion. And I think what we are seeing with the innovations of the flavour, etc., a lot of consumers are now shifting to the white spirit. So, I think in the time to come or in the current year, which we are already seeing, Magic will be a big driver of our growth. After Dark also has grown very well; it has grown by 62%, and we feel that it is gaining traction, so, growth will come from there also. And we did a repackaging of 8PM [Premium] Black in the second half of last year, and this quarter we grew by about close to 60%. So, I think growth is coming from all three angles. So, we are very confident that our P&A category volume growth for the next year will be 20%.

Abhijeet Kundu: Understood. Thanks. That is it from my side.

Moderator: The next question is from the line of Mehul Desai from JM Financial. Please go ahead.

Mehul Desai: Yes, hi sir, congrats on great set of numbers. Firstly, while you did allude to vodka segment and P&A segment being seeing a strong growth, how should one look at the realization growths here, because obviously the luxury portfolio is also growing pretty fast, do you see this realization growth of low single digits that we saw in FY26 for P&A, can that also increase? And secondly, how do you look at the regular segment growth on a steady state basis?

Dilip Banthiya: On the realization front, luxury is growing faster than P&A, so we expect that realization at volume and value delta will be in the range of 300 to 400 basis points as an aggregate basis. As far as your second question on the regular segment is concerned, as I said in my opening remark, because of some policy changes and higher base in Q4 of last year, there was a degrowth in Q4 of current year; however in the full year, we have grown by 30% on the regular side also and for next year, we expect 3% to 5% volume growth in regular category.

Mehul Desai: That is a volume growth?

- Dilip Banthiya: Yes.
- Mehul Desai: Got it. Thank you. That is all from my end.
- Moderator: The next question is from the line of Rahul Agarwal from Infinite Asset. Please go ahead.
- Rahul Agarwal: Yes, hi sir, good evening. This is Rahul Agarwal from Infinite Asset. Sir, the question is related to growth. 20% P&A volume growth implies about 3.5 million cases roughly additional. Similar question is what the earlier analyst asked on which categories and brands will contribute, you mentioned Magic Moments, After Dark, 8PM Black repackaging. Are these three categories or brands going to be similar to contribute this 3.5 million cases, is there enough market for that? That is first question. Secondly, in terms of capacity related question to the growth outlook. To support this 20% growth, you said your CAPEX is largely maintenance and optimization. So, how are we placed in terms of in-house capacity across material, packaging, bottling, printing, stuff like that, do we have enough to support this, give more color on this 20% growth? That is the first question.
- Dilip Banthiya: So, the first question is regarding the 20% growth on the P&A side. Yes, you are right that these are the brands like Magic family is growing more than 20% in FY26, by 28% in Q4 and new flavours are also adding a lot of strength to the Magic growth. After Dark is present in a very large industry segment of 75 million cases. Royal Ranthambore, the another brand, which is also growing by more than 50%, and as a bouquet as some of the brands are still in a very, very nascent stage, therefore, we are confident to deliver 20% growth as a P&A category. Second question is regarding the capacity. So, around 60% to 65% of our bottling is outsourced by lease arrangements, etc., across India and 30% to 35% is being handled by us in our own plants. So, we believe in outsourcing that with quality tie-up arrangements, etc., So, we are confident. The capex as I said will be in the range of INR 150 crores to INR 175 crores which will be largely on my internal capacity expansion and optimization, etc., So, we will be doing that mix of that. But the capacity is not a constraint for growth.
- Rahul Agarwal: Got it, sir. And this entire 60%, 65% outsourced arrangements, from a supply chain perspective, they could face some hiccups in terms of whatever they are sourcing components and material from, of course cash is an issue and it could have some supply hiccups. In terms of our

discussions with them that this outlook in terms of 20% growth also accounts for all the supplies on time to the vendors as well, right?

Abhishek Khaitan: As far as the tie-up unit goes, all the material is procured by Radico, they are only converting it. So, all the raw material is under our control from supply chain point of view. So, we do not foresee any problem in that.

Rahul Agarwal: Got it. And just lastly on employee cost, just as a direction, when I look at over the last four, five years, this number actually has grown much lower than what top line growth Radico has seen overall from a system level. Of course, we have been investing into people and we have been training people inside the company itself. But, going forward, do you still think this 15% cost CAGR for staff cost is enough to sustain this 20%, 25% kind of P&A outlook over the next two, three years?

Abhishek Khaitan: Our internal team is very strong. And second is the operating leverage is coming into play. As the turnover is increasing, you do not require the same number increase of manpower. So, the operating leverage is kicking in which is helping our margins also.

Rahul Agarwal: So, it should continue the similar way as what we have seen so far over the last four or five years.

Abhishek Khaitan: Yes.

Rahul Agarwal: Okay. Perfect. Thank you so much and best wishes for the next year.

Moderator: The next question is from the line of Navani Naredi from Naredi Investment Private Limited. Please go ahead.

Navani Naredi: Congratulations and thanks for the opportunity. So, my first question is rising health awareness. How are you adopting your portfolio like premium, ready-to-drink, low alcohol to capture GenZ consumers, and also diversifying the portfolio which will reduce the dependence on Indian excise policy? That is my first question.

Abhishek Khaitan: As far as the GenZ goes, the white spirit is what the GenZ prefers and that is where our innovation of the different flavours of vodka is coming into play. And that is helping us to get GenZ into the white spirits. What I said earlier, we see that white spirit is expanding in a lot of states now. So, I think that is the trend we are seeing with GenZ. As far as low alcoholic or RTD goes as of now we do not have any major plans to get into it.

- Navani Naredi: Yes, because these days what I observe personally is GenZ are very careful about what they are drinking and they do not drink too much also, they think and then they act. So, that was my concern like how are we thinking to modify our portfolio into non-alcoholic or low-alcoholic beverages so that we can benefit in future? That was my concern.
- Abhishek Khaitan: You are absolutely right. The GenZ, everyone is like health conscious, responsible drinking, etc. They drink less but they want to drink the finest. That is why you see the P&A category is growing across India and that is the main trend.
- Navani Naredi: Okay. So, like no future plans of getting into another like low-alcoholic drink, like many of your competitors are also entering into those segments, so you do not have any plan to enter those segments right in future?
- Abhishek Khaitan: We do not have any plans as of now.
- Navani Naredi: Okay. And another question is like Rampur Indian Single Malt and Jaisalmer and Magic Moments like these are getting a lot of traction in a global market like internationally also. So, like knowing that our share like international contribution to top line is around 8% to 9% only. So, going forward are we looking to penetrate even in a better way the global market scenario, how are we strategizing that forward?
- Sanjeev Banga: Yes, the international market is a very important strategic market for us and it is not only the international market, even the global travel retail that is very important. We are currently in 50-plus airports and our target is to cross 100 airports in a quick time. In terms of the share of international business, overall, thanks to our domestic business, which is growing at a very, very fast pace. The share keeps coming down. So, we are not complaining about it!
- Navani Naredi: All right. That was my question and thank you and I really like this, like this is the first time I am attending the investor call, and you are really doing a great job and all the best for the future.
- Moderator: Thank you. The next question is from the line of Yash Patil from Dalal & Broacha. Please go ahead.
- Yash Patil: Yes. Hi sir. Thank you for the opportunity. So, in Q3, you flagged the Maharashtra industry volume down by around 20% and you said you will launch MML through your RNV joint venture in January. So, how

has the RNV joint venture performed since launch? And what is your current market share in Maharashtra? And do you see the market recovering toward the original 2.4 million cases per month in Maharashtra?

Sudhir Upadhyay: See, as far as Maharashtra is concerned, we have saliency of around 3% to 4% of our overall business. Yes, after the MML introduction the IMFL industry has gone down; it has gone down by 20%, 25%. So, gradually MML is stabilizing. And we hope that IMFL over a period of time should come back to a normal position. And since we are in vodka category and above there, Premium & Above is a stable for us.

Yash Patil: Yes. Thank you. And all the best for the future

Moderator: The next question is from the line of Dhiraj Mistry from Jefferies. Please go ahead.

Dhiraj Mistry: Yes. Hi, good afternoon. Sir, can you spend some time on Karnataka policy, how do we read that, and what kind of price decline or hike we can expect across range of products?

Sudhir Upadhyay: See, as we said earlier, that Karnataka is on a progressive march. So, as far as excise is concerned, they have taken this step last year also where they rationalized the price of premium brands. And our brands like Rampur Single Malt, Jaisalmer Indian Craft Gin, Royal Ranthambore, Sangam, Magic Moments, etc., has been benefited in a larger way, and other brands of the industry have also been benefited. It is a cosmo market at the end of the day. So, it has lot of consumption. Now in the second step also government is also thinking on similar line. But at the same time since the policy is yet not out, so we cannot comment. As far as market and other things are considered we can say that they are thinking on that line and they have seen a success of Premium & Above category increase, the overall saliency of the Premium & Above category has been increased in the last decision of that. So, definitely they will look forward for rationalizing the brands further.

Dhiraj Mistry: Got it. And sir, what would the margin be for non-IMFL business for the full financial year? And how do we see the growth as well as margin profile of non-IMFL business going ahead?

Dilip Banthiya: The margin in the IMFL business is around 20% to 21% for full year, and non-IMFL is in the range of 9%.

- Dhiraj Mistry: And how do we expect growth in non-IMFL business?
- Dilip Banthiya: Non-IMFL business is growing at 7% to 8%. This is a natural growth of the industry. As far as the bulk spirit is concerned, that will be in the due course of time start being consumed by us captively. So, that will get reduced. So, the IMFL is constituting around 70% of the overall saliency of the top line. So, we will see a gradual shift to IMFL from non-IMFL.
- Dhiraj Mistry: Okay. And last question is on capex. That now that we will become debt free in FY27 and already you have announced that minimum 20% would be the dividend payout policy. How do we see the incremental capital allocation going ahead? Would we do further capex or would we be looking for inorganic growth or acquisition?
- Dilip Banthiya: The first step we have taken to have a minimum payout of 20%, and in due course of time, with the time passes, and the availability of cash generation and free cash flow available, it will be looked into. However, if there is an opportunity which gives us more than 20% to 25% ROCE, we will be looking for that opportunity. But we believe in organic growth rather than inorganic growth. So, as far as the acquisition or anything is concerned, at this point of time is being ruled out.
- Dhiraj Mistry: Sorry but I do not know whether this question was asked or not. So, in our assumption of 125 bps of margin expansion, do we take any benefit from UK-India FTA trade?
- Dilip Banthiya: Yes, it is inclusive. All because there will be some pluses and some minuses. We cannot predict what kind of global and geopolitical situation arises. So, considering all these things, we are confident to deliver on 125 basis point improvement.
- Dhiraj Mistry: Okay. So, that includes UK-India FTA trade benefit as well? Thank you sir.
- Abhishek Khaitan: Yes.
- Moderator: The next question is from the line of Karan Kamdar from Choice Institutional Equities. Please go ahead.
- Karan Kamdar: Hello, sir. Thank you for the opportunity and congratulations on a really great set of numbers. So, first question I had is what kind of pricing power do we have across at least our top markets, if you can help me with what our top markets are in terms of salience? And when

can we actually do the revisions, are there any legal restrictions or not on pricing revisions? Secondly, I really appreciate the goal of reaching the INR 1,000 crores mark and we are saying 25% CAGR to reach it in three years. What kind of brands are our high conviction brands and what kind of geographies are we betting on?

- Dilip Banthiya: So, your first question is regarding the pricing power. So, as you are aware that state excise policies generally represent about the reason for seeking price increases and the state government consider it now positively because their concern is also the revenue. As we said that seven to eight states has already given the price increase and this is a continuous process which the industry associations keep doing with the state government, and some of the talks are still on and because of the cost push being faced by the industry. I cannot say that which are the states, but yes, it is an ongoing process.
- Karan Kamdar: Sir, Part-2 luxury market, what are we sort of betting on, what are our top brands that we are focusing on for turning INR 475 crores into INR 1,000 crores? And I am sure we will show luxury as a separate line item as well when we reach there. So, what are we betting on in terms of brands and geographies?
- Abhishek Khaitan: Our guidance first of all is 25% for the next year, not for three years. After that we will see. But we are very confident on our luxury portfolio because we are seeing growth coming from everywhere.
- Karan Kamdar: Okay. No particular product or category that we are betting on?
- Abhishek Khaitan: Rampur Indian Single Malt, the Expressions of Rampur, the Virasat Indian Single Malt, the Spirit of Kashmir, Jaisalmer, Royal Ranthambore are all these brands.
- Karan Kamdar: Okay, got it, sir. And sir, if you can just list out what are the top three states and what salience we have in those states that would be very helpful?
- Dilip Banthiya: So, the top three states are Uttar Pradesh, Andhra Pradesh, [Telangana, Karnataka] and Rajasthan. We are pretty well spread out in terms of our saliency. North, south, everywhere. I think Radico is growing, but these key states.
- Karan Kamdar: Okay, thank you sir. And all the best for the future.

- Moderator: The next question is from the line of Nitin Awasthi from InCred Research. Please go ahead.
- Nitin Awasthi: Hello, sir. One, I would like to know given that MML is right now established in Maharashtra and stabilizing and you have a JV there which is allowing you to participate within that industry and you have already lined up some pretty eye-catching products and given that the competitors within said segment would not always be backed by large companies such as yours, given that, do you expect the JV in Maharashtra to take a substantial portion of this increasing market?
- Abhishek Khaitan: We are aiming about 10% MS of the MML category and we just launched it a couple of months back and the response to the brand is quite encouraging.
- Nitin Awasthi: Yes, that is definitely there. I have seen the products within the range and of course there is no debate that your products stand out across the line in that category. And given that this distribution strength you have and backing of the main company, the growth of course there is going to be substantially high if the entity stabilizes. Now here, given that the growth is going to be coming from this segment and that is the market you are aiming at, is there more investments going to be made in the JV?
- Abhishek Khaitan: No, the JV is self-sufficient.
- Nitin Awasthi: Okay. Even for this market share grab that you are looking at?
- Abhishek Khaitan: Yes, absolutely, because it is more of creating the brand and the distribution leverage and the JV itself is throwing lot of cash. So, I think there is no requirement of any investment.
- Nitin Awasthi: Understood. So, next question is on the UP side. In UP IMFL, we are sometimes No.1 or No.2. But in Financial Year '26 where do we end it at No.1 position or 2 position officially?
- Abhishek Khaitan: We are No.1.
- Nitin Awasthi: Okay. Currently, we have moved to number one. And within the space of UPML segment, the growth there and how much market are we aiming to capture there? First of all, is the segment itself as exciting as the state policy makes it to be and other consumers also as excited about this segment?

- Abhishek Khaitan: I think our market share there is about close to 25%, 26% and we are aiming at the normal growth what the market will be having. We are not looking at abnormal growth there.
- Nitin Awasthi: Understood. And in particular on the UPML segment, the excitement is there as the state makes it to be?
- Dilip Banthiya: Consolidated, we are talking about 24%, 25% market share in UPML and UPCL.
- Nitin Awasthi: Understood.
- Saket Somani: Our objective and our focus area, core business is on IMFL side which continues to grow in very, very strong double digit. 20% is our guidance and we continue to focus on that across markets.
- Nitin Awasthi: Understood sir. Thank you.
- Moderator: As there are no further questions from the participants, I now hand the conference over to the management for closing comments.
- Dilip Banthiya: The current environment reinforces the strength and resilience of Radico Khaitan's business model. Strong operating performance, margin expansion and improved return ratio and healthy cash flow generation, reflect the quality of our growth and the impact of the disciplined execution. With a differentiated premium-led portfolio, a robust balance sheet and continued focus on financial discipline, we are well positioned to navigate near-term uncertainties and sustain our profitable growth trajectory. We remain confident in the road ahead and committed to creating long-term value for our stakeholders. Thanks for joining us today. I look forward to connecting with you next quarter.
- Moderator: Thank you. On behalf of DAM Capital Advisors, that concludes this conference. Thank you for joining us. You may now disconnect your lines

Note: This transcript has been edited to improve readability.

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