

RKL/SX/2025-26/16

May 13, 2025

**BSE Ltd.**

Phiroze Jeejeeboy Towers  
Dalal Street  
Mumbai – 400001

**Scrip Code: 532497**

**National Stock Exchange of India Ltd.**

Exchange Plaza, 5<sup>th</sup> Floor, Plot no. C/1,  
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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/2025-26/05 dated April 25, 2025 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, 2025 for Quarter and financial year ended March 31, 2025.

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

This is for your information and records.

Thanking You,  
For **Radico Khaitan Limited**

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*Encl: A/a*

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CIN No.: L26941UP1983PLC027278



## **Radico Khaitan Limited**

(BSE: 532497; NSE: RADICO)

**Fourth Quarter and Full Year FY2025**

**Earnings Conference call**

**May 7, 2025**

### **Management Participants:**

**Mr. Abhishek Khaitan, Managing Director**

**Mr. Dilip Banthiya, Chief Financial Officer**

**Mr. Amar Sinha, Chief Operating Officer**

**Mr. Sanjeev Banga, President – International Business**

**Presentation:**

Moderator: Ladies and gentlemen, good day and welcome to Radico Khaitan Q4 FY25 Result Conference Call, hosted by Dolat Capital Markets Private Limited.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*” then “0” on your touch tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Himanshu Shah from Dolat Capital Markets Private Limited. 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.*

Himanshu Shah: Thank you, Navya. Good afternoon, everyone. At this moment, we would like to thank Radico Khaitan Management Team for providing Dolat Capital with the opportunity to host the Q4 FY25 Earnings Call.

We have with us the senior leadership team from the Radico Khaitan, Mr. Abhishek Khaitan – Managing Director, Mr. Amar Sinha – Chief Operating Officer, Mr. Dilip Banthiya – Chief Financial Officer and Mr. Sanjeev Banga – President (International Business).

I will now hand over the call to Mr. Abhishek Khaitan – MD for his opening remarks. Over to you, sir.

Abhishek Khaitan: Good afternoon, ladies and gentlemen. Thank you for joining us on our Q4 FY25 Results Conference Call.

There has been a major development regarding the much-anticipated UK Free Trade Agreement last evening. While we await the final print, I would like to provide a broader perspective before diving into the details of our Q4 results.

Given the strong growth of our whisky portfolio, including Sangam, Royal Ranthambore, After Dark and 8PM Premium Black whisky, we are among the largest importers of bulk scotch for blending purposes. Our scotch imports in FY26 are projected to exceed INR 250 crores in

landed price, inclusive of import duties. Any reduction in these duties will translate into meaningful cost saving for us.

Luxury spirits are a lifestyle category, and pricing plays a crucial role in shaping consumer aspirations. We do not anticipate altering our pricing strategy as our brands hold a perceived value that resonates with consumers. Positioned at a premium compared to most incumbent brands, our products compete not only with global brands in India, but also internationally. Over the years, each of our luxury brands has carved out a distinct identity. This development is a welcome move and will significantly contribute to our premiumization journey as we continue to focus on creating more luxury brands.

The first quarter of FY26 marks an exciting milestone as we prepare to introduce two luxury brands - projects that have been under development for two years. These launches represent a major leap in Radico Khaitan's premiumization journey, reinforcing our confidence that the best is yet to come.

Now moving on to the quarterly performance: Building on the strong momentum from the third quarter, Radico Khaitan delivered an impressive 28% volume growth in Q4 FY25, our highest quarterly growth in the past 3 years.

FY25 has been the best year in our history on all key-financial metrics, with highest ever turnover of INR 4,851 crores, EBITDA of INR 668 crores and PAT of INR 341 crores.

FY25 was truly a year of transformation for Radico Khaitan, fueled by our commitment to expanded backward integration, enhanced distribution capabilities including on-trade, a robust innovation pipeline and impactful consumer engagement.

Our flagship premium brand Magic Moments Vodka has crossed the milestone of 7 million cases during the financial year, a true testament to its growing popularity. Adding to this momentum, we are thrilled to welcome Kriti Sanon as our brand ambassador. With her charisma, style and widespread appeal, this partnership is set to elevate Magic Moments to unprecedented heights, redefining the benchmark for premium vodka in India.

Continuing our commitment to innovation, we unveiled 8PM Premium Black in a bold new look design to elevate brand imagery while

showcasing its distinctive product story, crafted around the harmony of eight select notes.

Furthermore, within the first half of the year, we will also enter the super-premium whisky segment, strengthening our presence in high-growth categories and setting new benchmarks in excellence.

While innovation remains the cornerstone of our strategy, our immediate priorities center on strengthening our existing portfolio, making targeted marketing investments and expanding our distribution network.

Looking ahead, we are poised for a strong double-digit growth in the Prestige & Above category, enhanced profitability and a persistent focus on cash flow generation, all driving long-term value creation for our shareholders.

With this, I would now like to hand over the call to our CFO for detailed operation and financial review. Thank you and over to you, Dilip.

Dilip Banthiya:

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

During Q4 FY25, we reported a total IMFL volume of 9.15 million cases, representing a growth of 28% on a year-on-year basis. This is the highest-ever volume recorded by Radico Khaitan in a quarter.

Prestige & Above category volume grew by 17%. In value-terms, the Prestige & Above category registered 22% growth. IMFL realization increased by 4.6% on year-on-year basis. The regular category volume which was impacted due to certain state-specific industry-related issues and ongoing strategic rationalization of the portfolio have now returned to a sharp growth trajectory. This was due to a lower base coupled with normalization of state-specific industry issues.

Changes in route to the market in Andhra Pradesh contributed 1,500 basis points to our overall volume growth. It is important to highlight that the Prestige & Above segment, excluding Andhra, the growth has been higher during the quarter.

The recent RTM changes in Andhra Pradesh have progressed well, promoting stability and predictability in the regulatory environment. As a result, we have seen strong traction for our brand portfolio and gained market share from 10% in the first half to over 17% in Q3 and

now 23% in Q4 FY25, which is highest in the industry. We quickly adapted to the changing environment and created capacities to capitalize on the industry opportunity.

Gross margin during the quarter was 43.5% compared to 41% in Q4 of last year, and 43% in Q3 FY25. Gross margin improved both year-on-year basis and quarter-on-quarter basis due to the ongoing premiumization in IMFL business, coupled with relatively stable raw material scenario. We are optimistic that the pricing scenario for ENA and grains will remain stable going forward during FY26.

Ad-spend will be within our targeted range of 7% to 8%. It has been higher during the quarter due to new celebrity engagement and other new brand-related spend.

Interest costs increased sequentially due to higher working capital utilization during the quarter. However, we have seen significant liquidation of inventory in Q4. Furthermore, we have also realised significant debtors towards the end of the quarter, resulting in a debt reduction of INR 114 crores over last year.

Going forward, our focus will be on driving profitable growth along with cash flow generation, and more efficient working capital management, resulting in debt reduction.

With this, now we open the house for Q&A. Thank you.

Moderator: Thank you. The first question is from the line of Abneesh from Nuvama. Please go ahead.

Abneesh Roy: Yes, congratulations on very good volume growth. My first question is on your first statement on FTA. So, wanted to understand this, it is a competitive market. For example, in Karnataka, where the state Government has cut taxes in the premium spirit, obviously, most of the players have passed it to end customers. So, when the raw material of cost becomes cheaper, 2 scenarios can be there.

One, because it is competitive, the players could cut prices, so that it becomes affordable and because they have higher gross margins, they will be able to cut. I note your comment that you do not think pricing cut will happen, given it's a premium brand. But I just wanted to take on that. And the second is, could some state Governments in compensation, because they suddenly see that prices have reduced in many states, then can they increase taxes on their own, because state

Governments need more revenue and this is one of the ways to achieve that? That is my first question.

Amar Sinha:

Thank you for your question. So, first of all, I must say that the FTA with UK has been a very progressive and favorable step that the Government of India has taken and the Government needs to be congratulated for the same.

As far as the AlcoBev sector is concerned, custom duty reduction will result in a 6% to 8% consumer price or MRP reduction. Now, in the premium and luxury segment, most international brands of repute are already present in the country. It is very unlikely that reputed foreign brands will reduce their price for this small benefit of 6% to 8% to their ultimate consumer. This would also, in fact, dilute the imagery of the premium brands. The companies are likely to mop up this saving and save on their costs rather. That is our understanding of the situation.

There is a chance that there might be some smaller companies with smaller scotch whisky brands that may come in. But as far as the premium and luxury segment consumer is concerned, there is really no market attraction for cheap scotches. So, cheap scotch whiskeys are no competition to us.

Now, with regard to Radico's perspective on business:

Radico has always, if you see our track record, in the last few years, we have believed in pricing all our products above the market leader in every category, irrespective of what the price position is for international brands or any other brands in India. The example is very clear. If you see the pricing of Jaisalmer, Royal Ranthambore, Rampur, we are priced much ahead of the competitors.

Actually we are creating a portfolio of the best Indian brands and therefore we do not anticipate any change in our pricing strategy or price positioning. So, truly speaking, we see FTA as a big win for India and companies like Radico, which are making India proud and taking it to the world.

Radico as, Mr. Abhishek Khaitan mentioned a little while ago, that we plan to import Blended Malt Scotch to the extent of INR 250 crores in FY26 for blending with our products, and that reduction, which is likely to happen, will give us substantial cost advantages and a margin uptake. So, hence, it is a net positive for Radico.

Your second question was whether state excise departments will raise duties. See, if state excise departments have the autonomy to make price changes to their local taxes, because liquor is a state subject matter, but then we need to see because every state Government today is looking for increasing sales and collecting more. It has been seen in the past that whenever you raise prices beyond a point, it affects the brands adversely. So, it is very difficult to comment as of now. Let's wait and watch.

Abneesh Roy: Sir, one quick follow-up on this. When is the earliest date when your raw material becomes cheaper in terms of scotch? Any clarity on that?

Abhishek Khaitan: It depends when the notification will come out. So, that only the Government knows. As of now, there is no clarity.

Abneesh Roy: No, my question was not only from a notification date, but that was also there. Do you have some forward contracts or inventory which could delay that by and how much?

Dilip Banthiya: The inventory in pipeline is normal inventory, and as and when it is made applicable, after which the imports will attract lesser duty, the cost will come down based on that.

Amar Sinha: So, just to be very precise, we are not holding huge stock at all.

Abneesh Roy: Last question. In Andhra, if you could tell us in terms of the overall industry scale-up post the new reform, anything you want to highlight there? And how do you see FY26 in Andhra?

Amar Sinha: So, let me tell you, Andhra, as we have just mentioned, has progressed very well with the new excise policy and route to market change. What is happening now is that the market has started to stabilize. It is picking up. And even in the previous year, in fact, 60% of the business was with local players. But in the current regime right now, 60% of the business is with national players and organized players. So, it is actually progressing very well.

And we hope that the market will not only stabilize, but from here onwards, it will continue to grow. New brands are likely to be introduced with the tender that is going to open sometime shortly. And we hope to do well in that. Secondly, the most important point is as far as Radico is concerned, we have a market share which earlier in H1 was 10%, in Q3 it went up to 17% and now it is 23% in Q4.



We are the largest player, and this actually supports the point that the consumer there was looking for national and organized players to come in. So, that is benefiting us as a company. Our overall volume growth is 28%, and substantial growth is also being contributed by AP for all organized brands.

Abneesh Roy: Sure. Thanks. That's all from myside. Thank you.

Moderator: Thank you. Next question is from the line of Anil Shah from Insightful Investments. Please go ahead.

Anil Shah: So, just wanted to get a sense on your raw materials scenario, has the broken rice from the Government, Food Corporation of India started? And generally, how the raw material situation is in terms of pricing and availability is concerned?

And the second question is on the Delhi opening up, if you could throw some light in terms of how that state is shaping up? Thank you.

Dilip Banthiya: So, as far as the raw material scenario is concerned, after the Government announced the Food Corporation rice available for ethanol, to that extent the demand from the market has gone to the Government, FCI godown. And that has resulted into the softening of the prices which were in the range of around INR 27,500 to INR 28,000 has come down to around INR 25,000 per ton now. So, it is a good development and at this stage, this has also impacted the other key raw material like maize, etc. So, that has also seen a correction of INR 2,000 approximately per ton.

Amar Sinha: So, let me tell you the Delhi policy is right now the way it was last year. And the existing policy has been extended for another 3 months. Hopefully, in July, we will see the new policy. As a company, we feel that the policy will benefit all national and organized brands.

Anil Shah: Okay. Thank you.

Moderator: Next question is from the line of Harit Kapoor from Investec India. Please go ahead.

Harit Kapoor: Good evening. So, just had 3 questions. In light of the recent developments yesterday, you had a FY26 target of INR 500 crores for the luxury and semi luxury portfolio. Do you believe that it is wait-and-watch whether that can be achieved, given that you might see some changes in the competitive environment in the next 12 months? Or do

you believe that that is something that you are still very confident of hitting?

Abhishek Khaitan: See, in FY25, we have achieved INR 340 crores and we have grown by 32%. And in our luxury portfolio, like the way Royal Ranthambore is growing month-on-month. And also, how Jaisalmer and Rampur and specially with the 2 new introductions, we are very confident that we'll surpass INR 500 crores.

Harit Kapoor: Fantastic. The second point was on the debt side. So, we are up to about close INR 600 crores of net debt. Just wanted to get your sense of, I know that in two years' time, it is going to almost zero. In FY26, is there a target that you'll half this number or anything that you can give a sense on?

Dilip Banthiya: So, as the debt is coming down now, we expect to be almost debt-free by FY27. For FY26, it will come down by around 35% to 40% and after that, we will be almost debt-free.

Harit Kapoor: Got it. And last thing was on the commodity environment. In the current context, did you see, bulk scotch has obviously become cheaper. And grain has also become cheaper. So, on ENA and glass, both of those elements, do you see a stable environment for the next 6 to 12 months, at least from where we are right now? Is that the right way to think about it?

Dilip Banthiya: So, ENA till now has been stable, but grain has definitely given this head wind and our main input in alcohol. We have a large grain alcohol capacity also. So, there the advantage of the costs coming down will come. So, when the grain price had gone up, ENA had also not gone too high as compared to what the grain price had gone. So, let us see the demand and supply scenario, but we don't foresee any pressure or inflation on that, in FY26.

Glass has seen some correction and correction has been twice in the last year. It was about 3% to 4% correction in glass prices and now the scenario looks like it is also stable.

Harit Kapoor: Great. Great. Thanks. All the best.

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

Vishal Gutka: Hi Team. Congrats on a good set of numbers. 2 questions from my side. I think on Andhra Pradesh; you have achieved 23% market share. So, any further opportunities where to improve the market share from here onwards, because 23% is a very high number?

And ancillary question is that any states, we are expecting route to market changes? Like maybe in Bihar, the elections are there. There is a change in Delhi, definitely that you have highlighted. Any other state where you are expecting any changes in route to market or policy changes?

Amar Sinha: So, as far as Andhra is concerned, see we are becoming stronger with our whiskeys like After Dark, which is the deluxe segment, which obviously means that we are getting a stronger distribution base.

Now, as Mr. Abhishek Khaitan mentioned that we have 2 luxury whiskeys, one super premium whiskey on the cart over the next 6 months, and 2 luxury products in the 1st Quarter. I think with new products coming in, existing whiskeys becoming stronger, there is a strong chance that our market share may further improve.

Dilip Banthiya: And as far as your question of regulatory changes, we see Delhi being in near future, as and when that happens.

Abhishek Khaitan: If Bihar like the prohibition goes away with the election results being favorable, then maybe prohibition goes away which is very good.

Vishal Gutka: And just ancillary question of UP market, so UP market has gone on a policy change in last quarter and I think the new policy is coming. If you can just broadly highlight what has happened in the new policy? How is the performance in the month of April, if you can broadly highlight for UP market?

Amar Sinha: The best thing that has happened in UP with the new excise policy is that you have got composite shops, which have come up which have expanded the universe of outlets by almost 40%.

Another big advantage that has accrued to the industry is that in IMFL, the wholesalers are now paying the excise duty, which means that the industry is lowering its working capital requirement, which is a big plus. This also means that any established player like Radico will reap huge benefits because the traction for fast-moving brands will be much more, because wholesaler would like to take cash and rotate it faster. So, that's a very big plus which has happened.

I think with the increase in the universe, Radico certainly is very optimistic that the market share will also improve. So, that's a big win. And in Q4 itself, Radico has seen a 37% growth in P&A segment and the market share actually has improved to 29% in Q4, from 26% to 29%.

Vishal Gutka: So, that's a very big number, sir. Wishing you all the best for future quarters. Thank you.

Moderator: Thank you. Next question is from the line of Akhilesh Bhattar from Ikigai Asset Management.

Akhilesh Bhattar: Congratulations on a good set. I just had a question on the margin side. So, when do you expect to catch up to your previous peak margin levels that we had seen in FY20, FY21? And with the headwind that we have right now in terms of the UK FTA deal and other headwinds? What are the tailwinds that you foresee? And what is the timeline that you are foreseeing as to catch up for margins? Thank you.

Dilip Banthiya: We have improved the EBITDA margin as well as gross margin in FY25 versus FY24. The EBITDA margin is almost improved by 150 basis points and with the growth in our brand portfolio and P&A guidance of 15% growth in FY26 and onward also, we see a continuous improvement in our EBITDA margin. I think 100 basis points EBITDA margin improvement will be there, and after that we will have to see how much we will get benefit through reduction in duties. So, our business model is tuned to improve the margin continuously for 3 years.

Moderator: Next question is from the line of Bhavdeep Vora from Franklin Templeton Asset Management India. Please go ahead.

Bhavdeep Vora: Thank you for the opportunity. I just wanted to understand that this reduction in the import duty for the imported scotch. So, from the perspective of the state Government, so in terms of the collection of revenues, so whether the revenue collection per bottle is higher in this BIO, BII stuff or it would be more like say, the Indian on the Prestige side say the P&A, the Prestige & Above segment? So, how do both this compare? So, just trying to understand that in terms of what does this do to the competitiveness of the premium Indian IMFL basically compared to an imported spirit? So, maybe your perspective on that would be helpful.

- Amar Sinha: So, right now see the BIO sector is not very large in the country, in an industry of 400 million cases. Basically, 5 million cases is the BII and BIO market. So, it is a small niche segment, which is growing of course, but really if you ask me any tax changes, it does not impact and it is not comparable with what one gets from the semi-premium and premium segments. In fact, the premium segment in India, it sells in 18 million cases, and the deluxe segment is approximately 70 million cases. So, the tax collection is obviously huge.
- Bhavdeep Vora: Sure. That's fine. But from an incremental perspective, right? So, if basically BIO becomes more competitive, right? So, maybe now reaching probably INR 2,000 or even below price points in some of the states. So, does consumer shift from say the top line of India's premium to some of this imported stuff? And is more attractive to Government or how does it matter? So how does it work on revenues?
- Amar Sinha: I just mentioned to you a little while ago that see this duty reduction at the current rate from 150% to 75% will only give relief by 6% to 8% on the consumer price side. So, that is not a very big reduction actually. If you calculate and we do not foresee the foreign brands reducing the price of premium brands for this 7% to 8%, because it dilutes the image of such premium brands.
- Bhavdeep Vora: Okay. But it also and of course, bringing the duty down to 40% over 10 years.
- Amar Sinha: So, we cross the bridge as it comes, because by then Indian brands are now reaching out to the world, and in the next 10 years, Indian Single Malts would be forced to reckon with globally, which has already started happening. And if you see last year, Indian single malt sold more than all the international malt whiskeys in the country.
- Bhavdeep Vora: Okay. Thanks. That's it from my side.
- Moderator: Thank you. Participants who wish to ask who wish to ask questions may please press “\*” and one at this time. I repeat, participants interested in asking questions may please press “\*” and one at this time.
- Next question is from the line of Abhijeet Kundu from Antique Stock Broking. Please go ahead.
- Abhijeet Kundu: Hi. Congratulations on a very strong set of numbers. Thanks for the opportunity. So, my first question is about the backward integration

that you had done for raw material. With the broken rice prices now correcting about 10%, maize prices also lowered. There was an expectation that you would save about INR 12 to INR 13 per litre on your raw material. So, where are we now and what could be the savings that can happen in FY26?

Dilip Banthiya: So, your question is regarding make versus buy, the delta was around INR 12 to INR 13 per litre, 3 years back. After that it has reduced to INR 3 to INR 4, and now it is stabilizing between INR 7 to INR 8. And we see that this will remain stable.

Abhijeet Kundu: Okay. This would be the stable scenario.

And you are planning to repay your debt in 2 years' time, by the cash flow generation, right? I just wanted the clarification, in FY26, you would reduce your current debt by about 30%, 40%, and the rest of it you would reduce in FY27. Is that right or it would take about 3 years?

Dilip Banthiya: That's correct.

Abhijeet Kundu: So, you would be debt free in 2 years' time, right?

Dilip Banthiya: Yes, of course.

Abhijeet Kundu: Another, you are launching 2 new products in luxury segment. What happens in the upper-Prestige segment? Because there was an expectation that you would target to launch something in the upper-Prestige segment, where the Antiquity, Blender's Pride, Signature are there. So, any plans on that?

Amar Sinha: So, I think we just mentioned that before the end of H1, we are already ready to launch the super-premium segment actually, which is on the cards. And it is a huge segment of 18 million cases, which we are targeting, growing at double digit rate.

Abhijeet Kundu: Okay. No, I had heard that, but I misinterpreted it. I thought that super-premium would be like in the leagues of Blenders Pride or for that matter, Royal Ranthambore. So, that is basically upper-Prestige segment, which you are talking about.

Amar Sinha: Yes, that's correct.

Abhijeet Kundu: Okay. That's it from my side.

- Moderator: Thank you. Next question is from the line of Pankaj Kumar from Kotak Securities. Please go ahead.
- Pankaj Kumar: Thanks for taking my question and congrats on good set of numbers. Question pertains to on the new launches that we are looking at. So, which are the categories where we believe would be the potential or maybe the future opportunity to launch new categories? 18 million cases, one where you talked about.
- Amar Sinha: So, we are currently launching in the whisky segment, which is the super-premium whisky that we are talking about and that's a 18 million cases market which comes before the end of H1. And then we are launching 2 luxury products in Q1 itself.
- Pankaj Kumar: Okay. So, with these launches, do you believe we would be done with the new launches or just expect to continue in future?
- Dilip Banthiya: So, with these new launches, which will be 2 in 1st Quarter and 1 in first half, I think we, for the time being, are done with. However, the pipeline always continues to be there. But we have to see the justice to the brand launch and width of distribution.
- Amar Singa: So, let me clarify this question of yours. See, Radico in the last one decade has always been working on innovations, market research, coming out with new products, filling the gaps. And this practice will continue. We are always doing research in the market and trying to build on new luxury products. But here on, anything that we do in the years ahead will only be upscale. We will keep upscaling our price and category as well.
- Pankaj Kumar: The question is on the Telangana, the outstanding amount that we had from the Telangana state. So, any update on that?
- Amar Sinha: So, first of all, the positive side is that the Telangana Government, for all the current supplies has been paying us regularly. So, there is nothing to worry on the receivable side, for all currently supply. We had some old outstanding dues that have started being released since last month. So, that is also positive side.
- Pankaj Kumar: So, what would be the current outstanding, including the dues that you had?
- Dilip Banthiya: So, the overdue of past period is below INR 100 crores. We are the lowest in the industry.

- Pankaj Kumar: Okay. Sir, my last question is on the regular category. So, of course, we have seen in this quarter, we have seen very strong growth due to the RTM in AP market. How do you see FY26 in terms of growth guidance for regular category? That is my last question.
- Abhishek Khaitan: See, what he has said that our concentration is more on the P&A category, which we are confident that it will be 15% plus. And regular volumes are back so I think regular also should grow by 12% to 13%.
- Pankaj Kumar: Okay. Thank you.
- Moderator: Thank you. Next question is from the line of Sanjay Manyal from DAM Capital. Please go ahead.
- Sanjay Manyal: Hi sir. Congratulations on good set of numbers. Just one question I have. Largely, the way your volumes have been growing, you think that you would require to take another round of CAPEX for the further sort of increasing capacity for ENA.
- Abhishek Khaitan: See, about last 2 years back, we had put up our Sitapur unit, which is one of the largest in Asia. And with this, I think we are quite self-sufficient for the next 3 to 4 years.
- Sanjay Manyal: Okay. Perfect. And just on the FTA, though most of the questions have been asked on that, but which brand specifically would be in the price range where most of the foreign brands are, where you will be competing with most of the foreign brands of BIO category or BII category?
- Amar Sinha: So, we have Royal Ranthambore, which has been priced INR 100 higher than the largest selling Scotch whiskey brand, and we are growing by 50%. And this brand is the brand of the future, and we see great potential.
- Sanjay Manyal: Okay. Perfect. That's all from my side.
- Moderator: Thank you. Next question is from the line of Anurag Jain, an individual investor. Please go ahead.
- Anurag Jain: Good afternoon, sir. So, the previous participant's question on Telangana, there was an echo when management was speaking. So, it was not clear. I will just repeat the question. Like how are we placed in Telangana in terms of sales and outstanding receivables?



- Amar Sinha: So, as far as Telangana is concerned, outstanding today is not so much of an issue. Whatever we are supplying, we are getting paid within the specified credit period. As far as old outstandings are concerned, we have the lowest overdue old outstanding, which is below INR 100 crores. And since last month, the Government has started paying us that as well. We are hoping that Telangana as a state will perform better now, because people are getting paid on time. So, the industry will grow. We are anyway growing in that state.
- Anurag Jain: All right, thank you. I have one more question on the export segment. How has been the export performance of the company for FY25 versus FY24?
- Sanjeev Banga: See, FY24, we had reached a record level. That was the highest ever. Fortunately, we exceeded that in FY25 and we further grew, current export in terms of volume is about 5% of the total business, and in terms of value is about 9%, and it continues to grow.
- Anurag Jain: All right sir. Thank you. Sir, the Australian FTA was signed about 3 years ago. How has been Radico's experience in terms of getting market access to Australia? Has the FTA really helped or is it still something work-in progress?
- Sanjeev Banga: See, in terms of FTA, it was primarily on the wine. In terms of our exports to Australia, we do export our luxury portfolio, which is our Single Malt and Jaisalmer Gin. In terms of our rest of the whisky or the rum portfolio, Australia also has certain non-tariff barriers in terms of aging and maturation and the Indian whisky do not qualify for that. So, we have been in discussion with them on removing these non-tariff barriers.
- Anurag Jain: All right sir. Thank you.
- Moderator: Thank you. Next question is from the line of Vishal Gutka from ASK Investment Managers. Please go ahead.
- Vishal Gutka: Yes. I think 2 questions. First is a regular segment. I think we have seen a bumper growth during the quarter. So, what shall be our expectation for FY26, given that Andhra policy changes have helped? Shall we expect 20%-plus growth in the regular segment?
- And second question is on Indian Single Malt Association, I think Radico is also a part of it. So, just want to check from you what measures as an association, we are taking so that there is no

manipulation done by other new entrants who are entering this space?  
Thank you.

Amar Sinha: So, I will take the Regular question. So, first of all, we must say that after 9 quarters of a bad period for the regular segment, from Q3 of last year, the regular segment has started bouncing back. Right now, since the previous year first two quarters were bad, though there is a low base, so the growth in the next 2 quarters would be healthy. And there were many issues, relating to specific states, with regard to the industry, that is also normalizing.

RTM change in AP has brought the sales back, which we see stabilizing in the year ahead. So, as we guided earlier, some time back, we hope to see the regular industry growing at about 10% to 12% in the times ahead for Radico.

Sanjeev Banga: In terms of the Indian Malt Whisky Association, Indian Single Malt is still a very nascent category. So, the 4 founding members who are the pioneers and who have been promoting and working hard in creating this category, felt there is a need to set certain standards and norms to protect the authenticity and the goodwill of Indian Single Malt. So, that's what the main objective is of this. And as we go along, we are in discussion with various Government authorities to set certain specifications and standards for Indian Single Malts, so that everyone conforms to that, and we do not dilute the equity and the brand image of Indian Single Malts in the global market.

Vishal Gutka: Okay. Thank you, sir.

Moderator: Thank you. Next question is from the line of Palak from MIV Investment Management. Please go ahead.

Palak Bhanushali: Hi. Thank you for the opportunity. So, my question is again on the UK FTA. So, I completely understand your point that there's not going to be any pricing pressure. My question is that if there's a welcome move for other players to enter the Indian market, considering this has a very huge potential. I was listening to your morning interview in which you mentioned that you consider marketing and distribution as a very big strength of Radico. So, can the player enter the market by collaborating with a national pan-India player? And there is going to be much more choices for the customers, so we might see an increase in the competitor intensity in the segment? I just want to know your thoughts on this.

- Amar Sinha: So, if I understand you correctly, you are asking can the foreign brands, the smaller brands, take up national distribution with Indian players. Is that right?
- Palak Bhanushali: Yes, in partnership with the national players.
- Amar Sinha: No. So, let me tell you, today, as far as the national players are concerned, Radico is the largest, and there are 1 or 2 other players, but today, I think the possibility of any smaller company coming and taking up with them seems to be remote. So, we don't see that as much of a threat, and they will not be brands which are of significant value, because they would not be among the largest-selling brands which are already present in India.
- Palak Bhanushali: Okay. Got it. Thank you.
- Moderator: Thank you. As we have no more questions, we close the call and hand over to the management for closing comments.
- Dilip Banthiya: So, moving forward, we will continue to deliver a strong P&A volume growth, driven by our diverse brand portfolio. Secondly, we will further develop our luxury brands portfolio. This will be a major contributor to our profitability. Furthermore, we are focused on ensuring that the capacities operate as efficient as possible. This will enable us to generate cash, repay debt, and return cash to the shareholders.
- We look forward to interacting with you on our next earnings call. In the meanwhile, if you have any queries, please follow up with us. Please feel free to write to us. Thank you.
- Moderator: On behalf of Dolat Capital Markets Private Limited that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

*Note: This transcript has been edited to improve readability.*

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