



FINANCIAL MODELLING REPORT

Analysis of United Spirits
Financial Performance
and Valuation

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2026



Financial Analysis

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INR 1321.90

52 Week (High INR 1700 & Low INR 1271.10)

About the Company

United Spirits Ltd was incorporated in the year 1999 as McDowell Spirits Ltd. United Spirits Limited (USL) is the largest alcoholic beverage Company in India and is also among the largest consumer goods companies. The Company is involved in the manufacture, sale and distribution of beverage alcohol. It has a comprehensive brand portfolio with over 80 brands of Scotch whisky, IMFL whisky, brandy, rum, vodka and gin. United Spirits Limited (USL) is **India's largest spirits company** and a subsidiary of **Diageo plc (UK)**, one of the world's leading alcoholic beverage companies. Headquartered in **Bengaluru, Karnataka**, USL is among the top 3 spirits companies globally by volume. Founded in **1826** by Angus McDowell as McDowell & Company. Over time, it became part of the **UB Group** under Vijay Mallya. In **2013**, UK-based Diageo acquired majority ownership (now holds ~56% stake).

Key Financial Summary

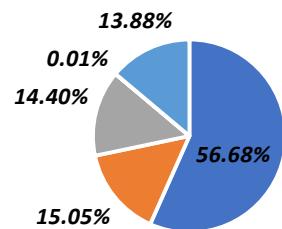
(In INR Cr.)	FY21	FY22	FY23	FY24	FY25	3-Year CAGR
Net Sales	8,131	9,712	10,612	11,321	12,069	6.90%
EBITDA	1,051	1,595	1,417	2,000	2,535	16.70%
EBITDA margin (%)	12.90%	16.40%	13.40%	17.70%	20.56%	8%
PAT (Net profit)	362	811	1,126	1,408	1,582	12.40%
P/E (TTM)	—	—	—	—	60.03	—
ROCE (%)	14%	25%	20%	28%	26.50%	2%
ROE (%)	8.79%	16.37%	18.77%	19.77%	19.52%	6%

Valuation Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Enterprise Value (EV)	40427.0	35659.1	48645.2	42846.7	37707.7	41377.3	65092.6	54313.3	81501.3	100380.6
EV/EBITDA	121.29	35.97	40.23	30.74	24.03	39.35	40.81	38.33	40.75	44.89
Price/Earnings	253.29	339.81	69.77	58.87	56.74	111.64	79.63	48.86	58.60	64.43
Price/Sales	4.28	3.58	5.29	4.31	3.78	4.97	6.65	5.18	7.29	8.45
Price/CFO	128.48	48.86	49.16	42.44	44.96	22.24	66.04	89.45	73.80	52.35
Price/Book Value	22.22	17.70	18.80	13.02	9.45	9.81	13.03	9.17	11.59	12.58

Key Events

- Resumption of Andhra Pradesh sales boosts Q4 FY25 performance**
The reinstatement of operations in Andhra Pradesh, after a five-year hiatus, coupled with strong demand for premium brands, drove a **17% rise in standalone Q4 FY25 PAT to ₹451 crore**, with premium net sales value rising **13.2% YoY**.
- Strategic acquisition of NAO Spirits**
In June 2025, USL acquired a majority stake in NAO Spirits—maker of craft gins *Greater Than* and *Hapusia*—in a deal valued at **₹130 crore** (**~\$15.2 million including debt**). This furthers its push in the high-growth Indian craft spirits category.
- From September 1, 2025, Mr. Mital Sanghvi transitioned to the role of Vice President – Financial Controller, relinquishing his responsibilities as Company Secretary and Compliance Officer.** He was succeeded by **Ms. Pragya Kaul** as the new Company Secretary and Compliance Officer.

Shareholding Pattern



Source: Multiple Reports

UNITED SPIRITS LIMITED

DIAGEO

India

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INR 1321.90

52 Week (High INR 1700 & Low INR 1271.10)

Profit & Loss Account / Income Statement

Rs Cr	UNITED SPIRITS LTD										
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	LTM
Sales	8,495	8,818	8,591	9,341	9,325	8,131	9,712	10,612	11,321	12,069	12,329
% Growth YOY	4%	-3%	9%	0%	-13%	19%	9%	7%	7%	7%	7%
Expenses	8,162	7,826	7,381	7,947	7,756	7,080	8,117	9,195	9,321	9,833	10,167
Material Cost (% of Sales)	58%	35%	31%	31%	37%	35%	36%	41%	35%	35%	35%
Power and Fuel	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other Mfr. Exp	3%	23%	22%	21%	19%	23%	23%	21%	22%	21%	21%
Employee Cost	8%	8%	8%	7%	6%	7%	7%	6%	5%	5%	5%
Selling and Admin Cost	19%	21%	23%	23%	20%	20%	18%	19%	17%	18%	18%
Gross Profit	3,579	5,764	5,912	6,400	5,890	5,318	6,193	6,251	7,384	7,890	
Gross Profit Margin	42%	65%	69%	69%	63%	65%	64%	59%	65%	65%	
EBITDA	333	991	1,209	1,394	1,569	1,051	1,595	1,417	2,000	2,236	2,162
EBITDA Margins	4%	11%	14%	15%	17%	13%	16%	13%	18%	19%	18%
Other Income	648	-265	172	70	89	-25	-117	249	208	271	294
Other Income as % of Sales	7.6%	-3.0%	2.0%	0.7%	1.0%	-0.3%	-1.2%	2.3%	1.8%	2.2%	2.4%
Depreciation	157	189	192	215	285	299	304	283	275	283	287
EBIT	176	803	1,017	1,179	1,284	752	1,291	1,134	1,725	1,953	1,875
Interest	457	375	278	237	212	188	88	104	76	89	116
Interest Coverage(Times)	2	1	4	5	6	4	13	13	25	25	19
Profit before tax (PBT)	366	163	912	1,012	1,160	540	1,087	1,279	1,857	2,135	2,053
% Growth YOY	-56%	460%	11%	15%	-53%	101%	18%	45%	15%		
PBT Margin	4%	2%	11%	11%	12%	7%	11%	12%	16%	18%	17%
Tax	223	70	260	328	540	178	276	153	449	553	539
Actual Tax Rate	60.8%	42.8%	28.5%	32.4%	46.5%	32.9%	25.4%	12.0%	24.2%	25.9%	26.3%
Net profit	143	93	652	684	621	362	811	1,126	1,408	1,582	1,514
% Growth YOY	-35%	601%	5%	-9%	-42%	124%	39%	25%	12%		
Net Profit Margin	2%	1%	8%	7%	7%	4%	8%	11%	12%	13%	12%
EPS	2.0	1.3	9.0	9.4	8.5	5.0	11.2	15.5	19.4	21.7	20.8
% Growth YOY	-35%	601%	5%	-9%	-42%	124%	39%	25%	12%		
Price to earning	253.3	339.8	69.8	58.9	56.7	111.6	79.6	48.9	58.6	64.4	0.0
Price	500	435	626	554	485	556	888	756	1,134	1,401	1,366
Dividend Payout	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	46.3%	55.0%	
Market Cap	36,321	31,603	45,480	40,246	35,211	40,424	64,548	55,013	82,505	1,01,931	-
Retained Earnings	143	93	652	684	621	362	811	1,126	756	712	

Balance Sheet

Rs Cr	UNITED SPIRITS LTD										
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	
Equity Share Capital	145	145	145	145	145	145	145	145	145	145	145
Reserves	1,489	1,640	2,274	2,945	3,583	3,975	4,808	5,854	6,976	7,959	
Borrowings	4,243	4,144	3,421	2,883	2,570	1,037	605	183	265	480	
Other Liabilities	2,452	2,967	3,086	3,135	2,946	3,354	3,304	3,534	3,790	4,592	
Total Liabilities	8,329	8,896	8,926	9,109	8,844	8,511	8,863	9,716	11,176	13,176	
Net Block	1,887	1,917	1,791	1,841	1,956	1,893	1,855	1,534	1,560	1,712	
Capital Work in Progress	282	199	102	118	121	97	96	83	37	72	
Investments	77	0	0	25	22	-	222	286	645	923	
Other Assets	6,084	6,780	7,033	7,124	6,745	6,521	6,690	7,813	8,934	10,469	
Total Assets	8,329	8,896	8,926	9,109	8,844	8,511	8,863	9,716	11,176	13,176	
Working Capital	3,632	3,813	3,947	3,989	4,199	3,167	3,387	4,279	5,144	5,877	
Debtors	2,303	2,953	2,711	2,543	2,284	2,187	2,374	2,434	3,056	3,410	
Inventory	1,952	1,928	1,920	1,934	1,928	2,052	2,157	2,230	2,063	2,305	
Cash & Bank	137	87	256	283	74	84	60	883	1,269	2,030	

Cash Flow Statement

Rs Cr	UNITED SPIRITS LTD										
	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	
Cash from Operating Activity (CFO)	283	647	925	948	783	1,818	977	615	1,118	1,947	
% Growth YoY	129%	43%	3%	-17%	132%	-46%	-37%	82%	74%		
Cash from Investing Activity	733	-227	104	-66	-194	-99	-313	-55	226	-1,114	
Cash from Financing Activity	-1,155	-475	-966	-808	-740	-1,707	-688	-500	-407	-557	
Net Cash Flow	-139	-56	63	75	-150	12	-23	60	937	276	

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Common Size P&L UNITED SPIRITS LTD

Rs Cr	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Raw Material Cost	57.9%	34.6%	31.2%	31.5%	36.8%	34.6%	36.2%	41.1%	34.8%	34.6%
Change in Inventory	1.9%	-0.6%	0.2%	-0.7%	-1.1%	-1.6%	0.9%	1.3%	-1.1%	-0.7%
Power and Fuel	0.4%	0.4%	0.3%	0.3%	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%
Other Mfr. Exp	3.1%	22.8%	21.7%	20.7%	19.4%	22.6%	22.9%	21.3%	21.8%	21.3%
Employee Cost	8.0%	7.8%	7.9%	7.4%	5.7%	6.9%	6.7%	5.8%	4.8%	5.1%
Selling and Admin Cost	19.1%	21.1%	22.9%	22.5%	20.1%	20.0%	17.6%	19.1%	17.4%	17.7%
Other Expenses	9.5%	1.4%	2.1%	2.0%	-0.2%	1.1%	0.7%	0.5%	2.3%	1.9%
Operating Profit	0.2%	12.5%	13.7%	16.3%	18.9%	16.2%	14.7%	10.8%	19.8%	20.0%
Other Income	7.6%	-3.0%	2.0%	0.7%	1.0%	-0.3%	-1.2%	2.3%	1.8%	2.2%
Depreciation	1.9%	2.1%	2.2%	2.3%	3.1%	3.7%	3.1%	2.7%	2.4%	2.3%
Interest	5.4%	4.3%	3.2%	2.5%	2.3%	2.3%	0.9%	1.0%	0.7%	0.7%
Profit Before Tax	4.3%	1.8%	10.6%	10.8%	12.4%	6.6%	11.2%	12.1%	16.4%	17.7%
Tax	2.6%	0.8%	3.0%	3.5%	5.8%	2.2%	2.8%	1.4%	4.0%	4.6%
Net Profit	1.6%	1.1%	7.4%	7.5%	7.1%	4.7%	8.5%	10.7%	12.4%	13.1%
Dividend Amount	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.8%	7.2%

Common Size Balance Sheet UNITED SPIRITS LTD

Rs Cr	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Equity Share Capital	1.7%	1.6%	1.6%	1.6%	1.6%	1.7%	1.6%	1.5%	1.3%	1.1%
Reserves	17.9%	18.4%	25.5%	32.3%	40.5%	46.7%	54.3%	60.3%	62.4%	60.4%
Borrowings	50.9%	46.6%	38.3%	31.7%	29.1%	12.2%	6.8%	1.9%	2.4%	3.6%
Other Liabilities	29.4%	33.3%	34.6%	34.4%	28.8%	39.4%	37.3%	36.4%	33.9%	34.9%
Net Block	22.7%	21.5%	20.1%	20.2%	22.1%	22.2%	20.9%	15.8%	14.0%	13.0%
Capital Work in Progress	3.4%	2.2%	1.1%	1.3%	1.4%	1.1%	1.1%	0.9%	0.3%	0.5%
Investments	0.9%	0.0%	0.0%	0.3%	0.2%	0.0%	2.5%	2.9%	5.8%	7.0%
Other Assets	73.0%	76.2%	78.8%	78.2%	76.3%	76.6%	75.5%	80.4%	79.9%	79.5%
Receivables	27.7%	33.2%	30.4%	27.9%	25.8%	25.7%	26.8%	25.1%	27.3%	25.9%
Inventory	23.4%	21.7%	21.5%	21.2%	21.8%	24.1%	24.3%	23.0%	18.5%	17.5%
Cash & Bank	1.6%	1.0%	2.9%	3.1%	0.8%	1.0%	0.7%	9.1%	11.4%	15.4%

Ratio Analysis

UNITED SPIRITS LTD										
Profitability Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Sales Growth	3.8%	-2.6%	8.7%	-0.2%	-12.8%	19.4%	9.3%	6.7%	6.6%	
Expenses Growth	-9.0%	-3.9%	5.5%	-3.3%	-9.9%	21.6%	14.3%	-4.1%	6.3%	
Sustainable Growth Rate	8.8%	5.2%	26.9%	22.1%	16.6%	8.8%	16.4%	18.8%	10.6%	8.8%
Gross Profit Growth	61.1%	2.6%	8.3%	-8.0%	-9.7%	16.4%	0.9%	18.1%	6.9%	
EBITDA Growth	197.4%	22.0%	15.3%	12.6%	-33.0%	51.7%	-11.2%	41.1%	11.8%	
EBIT Growth	355.9%	26.7%	16.0%	8.9%	-41.4%	71.7%	-12.2%	52.1%	13.2%	
PBT Growth	-55.6%	460.4%	11.0%	14.7%	-53.5%	101.2%	17.7%	45.2%	15.0%	
Net Profit Growth	-35.1%	601.0%	4.9%	-9.2%	-41.7%	123.9%	38.9%	25.0%	12.4%	
Dividend Growth	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	33.3%
Dividend Payout	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	46.3%	55.0%
Gross Margin	42.1%	65.4%	68.8%	68.5%	63.2%	65.4%	63.8%	58.9%	65.2%	65.4%
Operating Margin	3.9%	11.2%	14.1%	14.9%	16.8%	12.9%	16.4%	13.4%	17.7%	18.5%
PBT Margin	4.3%	1.8%	10.6%	10.8%	12.4%	6.6%	11.2%	12.1%	16.4%	17.7%
Net Margin	1.7%	1.1%	7.6%	7.3%	6.7%	4.5%	8.3%	10.6%	12.4%	13.1%
Efficiency Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Debtor Days	98.96	122.26	115.19	99.35	89.38	98.18	89.20	83.72	98.53	103.13
Debtor Turnover	3.69	2.99	3.17	3.67	4.08	3.72	4.09	4.36	3.70	3.54
Inventory Days	83.87	79.79	81.56	75.58	75.44	92.11	81.05	76.70	66.51	69.71
Inventory Turnover	4.35	4.57	4.47	4.83	4.84	3.96	4.50	4.76	5.49	5.24
Net Fixed Asset Turnover	4.50	4.60	4.80	5.07	4.77	4.30	5.24	6.92	7.26	7.05
Total Asset Turnover	1.02	0.99	0.96	1.03	1.05	0.96	1.10	1.09	1.01	0.92
Sales/Capital Employed	1.45	1.49	1.47	1.56	1.48	1.58	1.75	1.72	1.53	1.41
Leverage Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Debt/Equity	259.5%	232.1%	141.4%	93.3%	68.9%	25.2%	12.2%	3.1%	3.7%	5.9%
Debt/Assets	50.9%	46.6%	38.3%	31.7%	29.1%	12.2%	6.8%	1.9%	2.4%	3.6%
Debt/EBITDA	1272.9%	418.0%	282.9%	206.9%	163.8%	98.6%	38.0%	12.9%	13.3%	21.5%
Debt/Capital	72.2%	69.9%	58.6%	48.3%	40.8%	20.1%	10.9%	3.0%	3.6%	5.6%
CFO/Debt	6.7%	15.6%	27.0%	32.9%	30.5%	175.3%	161.4%	336.1%	421.9%	405.6%
Debt Burden	-60.5%	-63.8%	-41.4%	-73.7%	-78.2%	-128.3%	-141.5%	-998.4%	-332.8%	-156.9%
Interest Coverage (Times)	1.80	1.43	4.29	5.27	6.47	3.88	13.35	13.30	25.43	24.99
Operating Leverage	93.71	-10.36	1.83	-53.81	3.23	3.69	-1.32	7.80	2.00	
Financial Leverage	5.10	4.98	3.69	2.95	2.37	2.07	1.79	1.62	1.57	1.63
DuPont Ratio	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
DuPont ROA	1.7%	1.0%	7.3%	7.5%	7.0%	4.3%	9.1%	11.6%	12.6%	12.0%
Net Profit Margin	1.7%	1.1%	7.6%	7.3%	6.7%	4.5%	8.3%	10.6%	12.4%	13.1%
Sales/Total Asset	1.02	0.99	0.96	1.03	1.05	0.96	1.10	1.09	1.01	0.92
Return on Equity	8.8%	5.2%	26.9%	22.1%	16.6%	8.8%	16.4%	18.8%	19.8%	19.5%
Capital Allocation Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Return on Capital Employed	14.0%	9.1%	20.4%	20.9%	21.8%	14.1%	21.1%	22.4%	26.2%	25.9%
EBIT Margins	2.1%	9.1%	11.8%	12.6%	13.8%	9.3%	13.3%	10.7%	15.2%	16.2%
Sales/Capital Employed	1.45	1.49	1.47	1.56	1.48	1.58	1.75	1.72	1.53	1.41
NOPAT	68.96	458.88	727.04	796.71	686.60	504.46	963.38	998.35	1307.92	1447.14
Return on Invested Capital	2.5%	1.6%	11.7%	12.0%	10.0%	7.1%	14.7%	21.2%	23.0%	24.1%
Cash Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Free Cash Flow (Rs Cr)	-2,566	-2,644	-1,415	-2,124	-2,009	-1,330	-857	-1,827	-882	-753
Operating Cash Flow Growth	128.8%	43.0%	2.5%	-17.4%	132.1%	-46.2%	-37.1%	81.8%	74.2%	
Free Cash Flow Growth	3.0%	-46.5%	50.1%	-5.4%	-33.8%	-35.6%	113.3%	-51.7%	-14.6%	
FCF/Sales	-30%	-30%	-16%	-23%	-22%	-16%	-9%	-17%	-8%	-6%
CFO/Total Assets	3%	7%	10%	10%	9%	21%	11%	6%	10%	15%
CFO/Total Debt	7%	16%	27%	33%	30%	175%	161%	336%	422%	406%
Cash Interest Coverage	2.11	2.91	5.27	6.38	7.24	11.64	15.24	8.38	21.62	29.09
CFO/Capex	0.10	0.20	0.40	0.31	0.28	0.58	0.53	0.25	0.56	0.72
Valuation Ratios	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Enterprise Value (EV)	40427.0	35659.1	48645.2	42846.7	37707.7	41377.3	65092.6	54313.3	81501.3	100380.6
EV/EBITDA	121.29	35.97	40.23	30.74	24.03	39.35	40.81	38.33	40.75	44.89
Price/Earnings	253.29	339.81	69.77	58.87	56.74	111.64	79.63	48.86	58.60	64.43
Price/Sales	4.28	3.58	5.29	4.31	3.78	4.97	6.65	5.18	7.29	8.45
Price/CFO	128.48	48.86	49.16	42.44	44.96	22.24	66.04	89.45	73.80	52.35
Price/Book Value	22.22	17.70	18.80	13.02	9.45	9.81	13.03	9.17	11.59	12.58

Dupont Analysis

Return on Equity (ROE)					
	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Profit	362	811	1,126	1,408	1,582
Average Shareholder Equity	6,180	4,892	5,944	6,963	7,879
Return on Equity	5.86%	16.58%	18.94%	20.22%	20.08%
ROE - Dupont Equation					
Net Profit	362	811	1,126	1,408	1,582
Revenue	8,131	9,712	10,612	11,321	12,069
Net Profit Margin (A)	4.45%	8.35%	10.61%	12.44%	13.11%
Revenue	8,131	9,712	10,612	11,321	12,069
Average Total Asset	8,141.2	8,415.3	9,571.4	10,742.0	12,718.0
Asset Turnover Ratio (B)	1.0x	1.2x	1.1x	1.1x	0.9x
Average Total Asset	8,141.2	8,415.3	9,571.4	10,742.0	12,718.0
Average Shareholder Equity	6,180	4,892	5,944	6,963	7,879
Equity Multiplier (C)	1.32x	1.72x	1.61x	1.54x	1.61x
Return on Equity (A*B*C)	5.86%	16.58%	18.94%	20.22%	20.08%
Return on Asset					
Net Profit	362	811	1,126	1,408	1,582
Average Total Asset	8,141.2	8,415.3	9,571.4	10,742.0	12,718.0
Return on Asset	4.45%	9.64%	11.76%	13.11%	12.44%
ROA - Dupont Equation					
Net Profit	362	811	1,126	1,408	1,582
Revenue	8,131	9,712	10,612	11,321	12,069
Net Profit Margin (A)	4.45%	8.35%	10.61%	12.44%	13.11%
Revenue	8,131	9,712	10,612	11,321	12,069
Average Total Asset	8,141.2	8,415.3	9,571.4	10,742.0	12,718.0
Asset Turnover Ratio (B)	1.0x	1.2x	1.1x	1.1x	0.9x
Return on Asset (A*B)	4.45%	9.64%	11.76%	13.11%	12.44%

MOAT ASSESSMENT

	Mar-22	Mar-23	Mar-24	Mar-25
Gross Profit Margin	63.76%	58.91%	65.22%	65.37%
EBITDA Margin	16.42%	13.35%	17.67%	18.53%
Net Profit Margin	8.35%	10.61%	12.44%	13.11%
ROIC	14.74%	21.25%	23.02%	24.14%
ROCE	18.47%	18.89%	22.45%	22.23%
ROE	9.33%	12.12%	13.48%	12.99%
EPS	₹ 11.16	₹ 15.48	₹ 19.36	₹ 21.75
ROA	9.33%	12.12%	13.48%	12.99%

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WACC Calculation - UNITED SPIRITS LTD.

Particulars		Source
Risk Free Rate	6.46%	10-year Bond Yield - Investing.com
Equity Risk Premium	5.32%	$R_m - R_f = 3\text{ years period}$
Beta (3y - Daily)	0.72	Regression based Beta
Cost of Equity	10.29%	Calculated using CAPM approach
Corporate Credit Rating	AAA	Crisil Credit Rating Report- July,2025
Corporate Default Spread	0.54%	Excess Return over Rf rate - Golden Pi
Cost of Debt (Pre-Tax)	7%	Risk Free Rate + Corporate Default Spread
Marginal Tax Rate	25.50%	Notified Tax Rate in Finance Bill
Cost of Debt (Post-Tax)	5.2%	Cost of Debt post tax shield
Debt to Equity Ratio	0.06	Latest Financials
Debt to Capital Ratio	5.7%	Latest Financials
Weighted Average Cost of Capital	10.00%	

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DCF Valuation of United Spirits Ltd.

Particulars	Historical			Explicit Growth Period				
	2023A	2024A	2025A	2026E	2027E	2028E	2029E	2030E
Total Sales	10,612	11,321	12,069	13155	13945	14781	15668	16608
Sales Growth			6.7%	6.6%	9.0%	6.0%	6.0%	6.0%
EBIT Margin	16.0%	20.1%	20.9%	16.5%	16.5%	16.5%	16.5%	16.5%
EBIT	1899	1700	2275	2171	2301	2439	2585	2740
Less: Actual Tax Payment	-478	-428	-573	-546	-579	-614	-651	-690
NOPAT	1421	1272	1702	1625	1722	1825	1934	2050
Less: Capex				-342	-363	-384	-407	-432
Less: Change in WC		195	-223	-1045	-279	-295	-313	-332
Add: Depreciation				342	363	384	407	432
Free Cash Flow to Firm				580	1443	1530	1621	1718
Cost of Capital	10.00%							
Discounting Period (Years)								
Present value factor	1 0.9092 0.8263 0.7514 0.6835 0.621							
Present Value of Free Cash Flow To Firm	527 1192 1149 1107 1067							

DCF Valuation of United Spirits Ltd.

(INR Crs.)

Terminal Year FCF	1718
Terminal Year Growth Rate	6% GDP Growth Rate
Value of Terminal CF at 5th Year	45508
PV of Terminal CF	28255
PV of Forecasted CF	5042
Firm Value/Enterprise Value	33297
Less: Value of Debt	480
Add: Cash & Other Non Operating Investments	4754
Less: Value of Stock Options/Warrants	0
Equity Value	37571
No of Equity Shares	72.7
Equity Value/Share	517
Market Price/Share	1321
Verdict	Overvalued

Relative Pricing

(In INR Crs.)				Financials					Valuations		
Company	CMP Rs.	Mar Cap.	Shares Outstanding	EV	Debt	Cash	EBITDA	Revenue	EV / Revenue	EV / EBITDA	P/E
United Spirits	1296	94196	73	92646	480	2030	2535	12329	7.5x	36.6x	60.0x
United Breweries	1803	47606	26	47783	620	443	906	9304	5.1x	52.7x	102.2x
Radico Khaitan	2760	36900	13	37593	750	57	765	5221	7.2x	49.1x	90.6x
Allied Blenders	510	14264	28	15037	905	132	494	3685	4.1x	30.4x	59.4x
Tilaknagar Inds.	458	8872	19	8813	44	103	319	1530	5.8x	27.6x	31.9x
Piccadilly Agro	594	5633	10	5894	308	48	200	836	7.0x	29.5x	52.3x
India Glycols	821	5081	6	6896	1892	77	602	3840	1.8x	11.5x	20.8x
Globus Spirits	1064	3081	3	3538	527	69	172	2593	1.4x	20.6x	113.6x
Som Distilleries	135	2630	20	2781	171	20	188	1458	1.9x	14.8x	25.6x
Sula Vineyards	262	2209	8	2510	315	14	137	568	4.4x	18.3x	38.4x
High									7.5x	52.7x	113.6x
75th Percentile									6.7x	35.0x	82.9x
Average									4.6x	29.1x	59.5x
Median									4.8x	28.6x	55.8x
25th Percentile									2.45	18.88	33.54
Low									1.4x	11.5x	20.8x
United Spirits Comparable									EV / Revenue	EV / EBITDA	P/E
Implied Enterprise Value									58909	72374	85029
Net Debt									480	480	480
Implied Market Value									58429	71894	84549
Shares Outstanding									73	73	73
Implied Value Per Share									803.3	988.4	1162.3
									Overvalued	Overvalued	Overvalued

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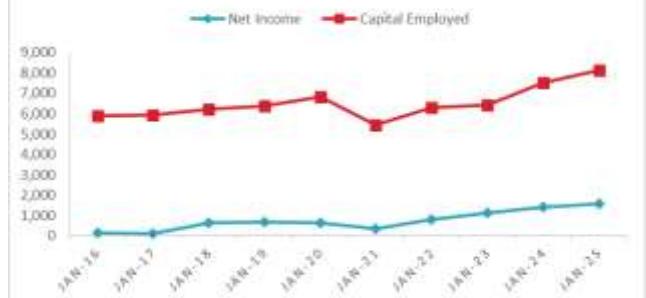
ROIIC Profiling - UNITED SPIRITS LTD

Rs Cr	Mar-16	Mar-17	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Net Income	143.4	93.0	651.9	683.6	620.6	362.1	810.6	1,126.0	1,408.0	1,582.0
Capital Employed	5,740.4	5,842.0	5,584.2	5,690.6	6,224.7	5,072.7	5,498.8	5,299.0	6,117.0	6,554.0

ROIIC Profiling

Cumulative Net Income	7,481.2
Incremental Capital Deployed	813.60
Reinvestment Rate	10.88%
ROIIC	176.82%
Intrinsic Compounding Rate	19.23%
Stock Price (10 Year CAGR)	10.87%
Stock Price (5 Year CAGR)	23.69%

NET INCOME VS CAPITAL EMPLOYED



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Altman's Z Score Analysis Calculation

	Working Capital / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Working Capital	3,988.7	4,199.3	3,166.8	3,386.5	4,279.0	5,144.0	5,877.0
Total Assets	9,108.9	8,843.7	8,510.9	8,863.0	9,716.0	11,176.0	13,176.0
Working Capital / Total Assets (A)	43.79%	47.48%	37.21%	38.21%	44.04%	46.03%	44.60%

	Retained Earnings / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Retained Earnings	613.8	532.0	386.8	927.4	877.0	547.5	441.0
Total Assets	9,108.9	8,843.7	8,510.9	8,863.0	9,716.0	11,176.0	13,176.0
Retained Earnings / Total Assets (%)	6.74%	6.02%	4.54%	10.46%	9.03%	4.90%	3.35%

EBIT / Total Assets							
EBIT	1,179.1	1,283.7	752.3	1,291.4	1,134.0	1,725.0	1,953.0
Total Assets	9,108.9	8,843.7	8,510.9	8,863.0	9,716.0	11,176.0	13,176.0
EBIT/Total Assets (C)	12.94%	14.52%	8.84%	14.57%	11.67%	15.43%	14.82%

Market Cap / Long term Liabilities							
Market Cap	40,248.5	35,212.9	40,426.5	64,551.0	55,009.5	82,499.8	1,01,923.7
Long term Liabilities	2,883.2	2,570.2	1,036.8	605.4	183.0	265.0	480.0
Market Cap / Long term Liabilities (D)	1395.97%	1370.05%	3899.17%	10662.53%	30059.86%	31131.99%	21234.10%

	Sales / Total Assets						
	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Total Sales	9,340.8	9,325.4	8,131.3	9,712.4	10,612.0	11,321.0	12,069.0
Total Assets	9,108.9	8,843.7	8,510.9	8,863.0	9,716.0	11,176.0	13,176.0

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Exhibit 15: Sales grew 6.6% YOY in March-25

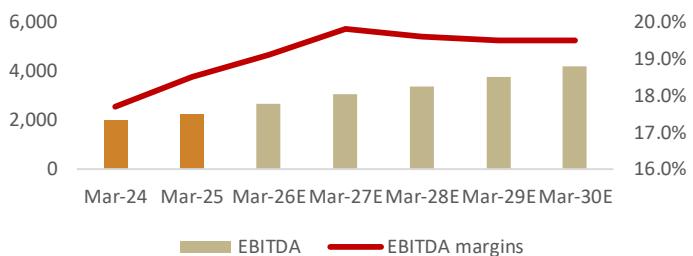
Sales vs Sales Growth



Source: Company Analysis

Exhibit 16: EBITDA Margin grew 18.5% YOY in March-25

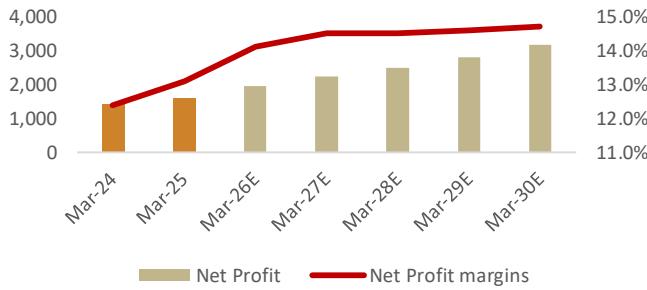
EBITDA & Margin Growth



Source: Company Analysis

Exhibit 17: Net Profit Margin grew 13.1% YOY in March-25

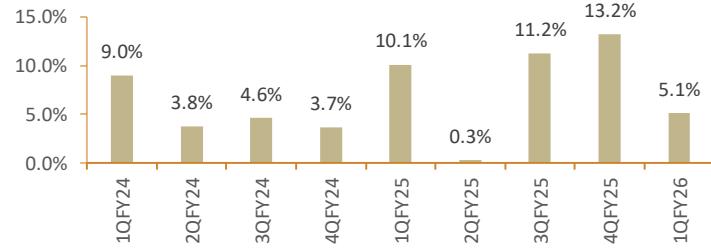
Net Profit & Margins Growth



Source: Company Analysis

Exhibit 18: P&A Volume grew 5.1% YOY in June-25

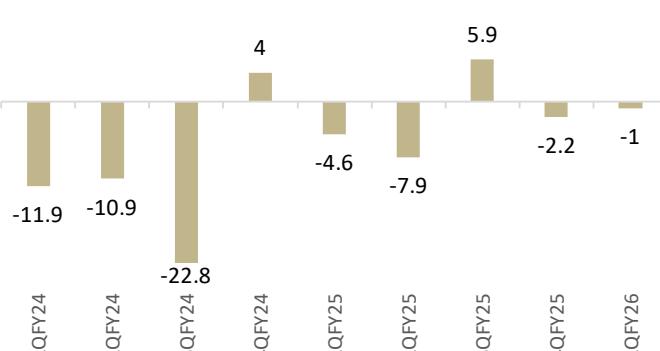
Prestige and Above volume growth (%)



Source: Company Analysis, MOFSL

Exhibit 19: Popular Volume down -1% YOY in June-25

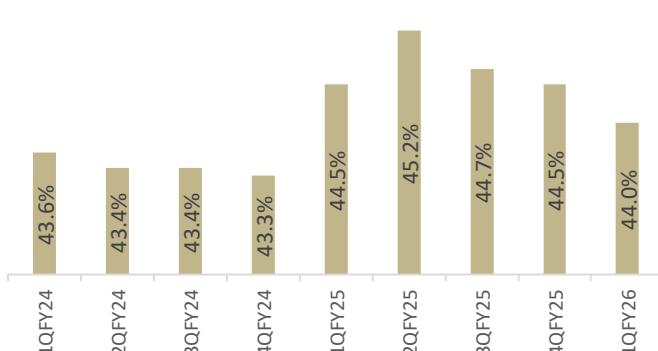
Popular volume groth (%)



Source: Company Analysis, MOFSL

Exhibit 20: Gross Margin grew 44.0% YOY in June-25

Gross Margin (%)



Source: Company Analysis, MOFSL

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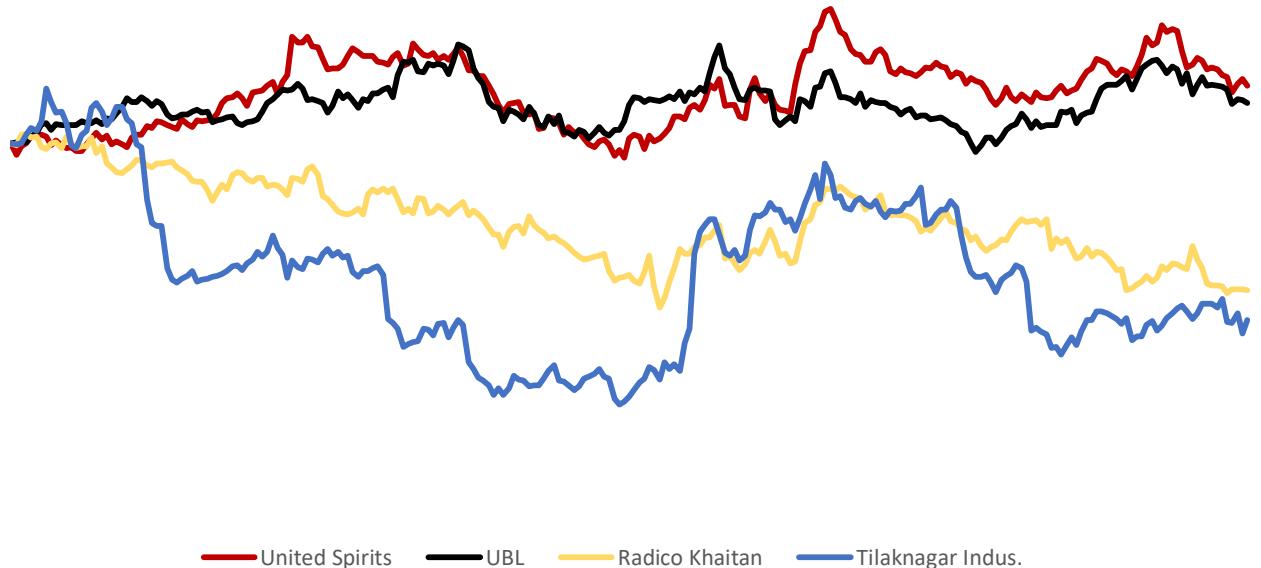
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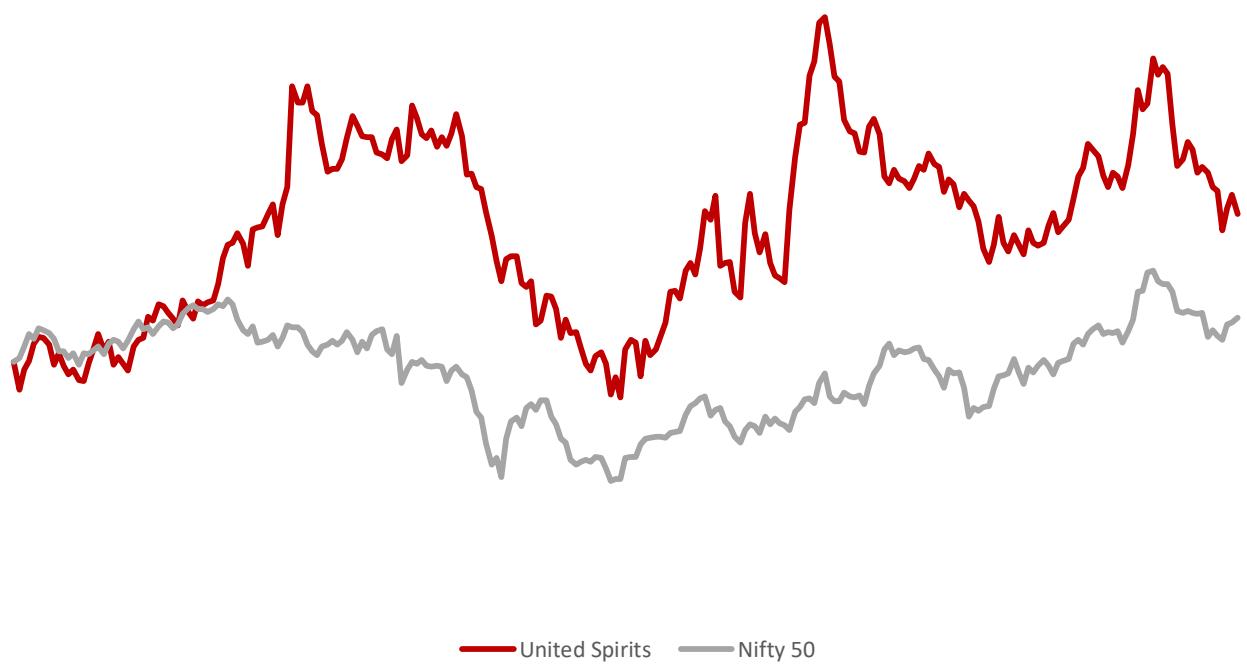
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Peers Stock Performance (1Y- Indexed)



Company Vs Nifty Performance (1Y- Indexed)



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