

17. Certificate on Basis for Offer Price – KPI

Date: December 5, 2022

To,
The Board of Directors
Sula Vineyards Limited
901 Hubtown Solaris N.S. Phadke Marg,
Andheri (E) Mumbai 400069,
Maharashtra, India

Sub: Proposed initial public offering of equity shares (the “Equity Shares”) of Sula Vineyards Limited (the “Company” and such offer, the “Offer”)

Dear Sir/Madam,

We, N B T and Co, Chartered Accountants, have been informed that the Company proposes to file the Red Herring Prospectus (the “RHP”) and Prospectus with respect to the Offer with the Securities and Exchange Board of India (“SEBI”), BSE Limited, National Stock Exchange of India Limited (collectively, the “Stock Exchanges”) and the Registrar of Companies, Maharashtra at Mumbai (“Registrar of Companies”) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) and any other documents or materials to be issued in relation to the Offer (collectively with the RHP and Prospectus, the “Offer Documents”).

We have been requested to verify certain key performance indicators of the Company and details pertaining to the primary and secondary transactions in relation to the shares (equity / convertible securities) of the Company.

In this regard, we confirm the following:

I.

A) The price per share of the Company based on the primary/ new issue of shares (equity/ convertible securities)

The Company has not issued any Equity Shares or convertible securities (“Security(ies)”), excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

The procedures carried out for such verification are included under **Schedule 1**.

B) The price per share of the Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities (“Security(ies)”), where the Promoter, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

The procedures carried out for such verification are included under **Schedule 1**.

C) Since there are no such transaction to report to under (A) and (B) then therefore information for based on last 5 primary or secondary transactions (secondary transactions where Promoter / promoter group entities or s selling shareholders or shareholder(s) having the right to nominate director(s) in the Board of the Issuer Company, are a party to the transaction), not older than 3 years prior to the date of this certificate irrespective of the size of transactions is as below:

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in Rs. Million)
May 3, 2022*	10,62,021	2.00	170.00	Exercise of warrants into Equity Shares each at a conversion ratio of one Equity Share for every warrant	Cash	180.54
May 3, 2022*	16,72,200	2.00	170.00	Exercise of warrants into Equity Shares each at a conversion ratio of one Equity Share for every warrant	Cash	284.27
May 3, 2022*	2,25,825	2.00	170.00	Exercise of warrants into Equity Shares each at a conversion ratio of one Equity Share for every warrant	Cash	38.39
May 3, 2022*	10,000	2.00	70.00	Exercise of warrants into Equity Shares each at a conversion ratio of one Equity Share for every warrant	Cash	1.70
October 20, 2022	16,75,693	2.00	170.00	Exercise of stock options granted under ESOP 2018 and ESOP 2021	Cash	284.87
November 17, 2022	9,22,180	2.00	170.00	Exercise of stock options granted under ESOP 2019	Cash	156.77
Total	55,67,919	-	-	-	-	946.55
Weighted average cost of acquisition (WACA)						170.00

*Since all 4 allotment made on May 3, 2022, we have kept 6 transactions for considerations instead of last 5 transactions.

II. WACA / Floor Price / Cap Price

Please see below details of the weighted average cost of acquisition, based on the details set out under (I) – (A), (B) and (C) above, as compared to the floor price and cap price:

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Share)	Floor price* (i.e. INR [•])	Cap price* (i.e. INR [•])
Last 5 Primary issuances / Secondary transactions	170.00	[•] times [•] times	[•] times [•] times

*To be updated at prospectus stage

III. Key financial and operational performance indicators:

The details of the key financial and operational performance indicators are set out under **Annexure A**:

The procedures carried out for such verification are included under **Schedule 2**.

We confirm that the information in this certificate is true, complete and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

This certificate may be relied upon by the Company, the Book Running Lead Managers and the legal counsels appointed by the Company and the Book Running Lead Managers in relation to the Offer. We hereby consent to extracts of, or reference to, this certificate being used in the Offer Documents. Further, we hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

Further, we consent to the inclusion of this certificate as a part of “Material Contracts and Documents for Inspection” in connection with the Offer, which will be available to the public for inspection in terms of the Offer Documents.

We confirm that on receipt of any written communication from Company of any changes in the information we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, Book Running Lead Managers and the legal advisors, each to the Company and the Book Running Lead Managers, can assume that there is no change to the above information.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully

For N B T and Co
Chartered Accountants
ICAI Firm Registration Number: 140489W

CA. Ashutosh Biyani
Partner
Membership No.: 165017
Place: Mumbai
UDIN: 22165017BEVBQR8873

CC:-

Book Running Lead Managers to the Offer (“BRLMs”)		
Kotak Mahindra Capital Company Limited 1st Floor, 27 BKC Plot No. 27, ‘G’ Block Bandra Kurla Complex Bandra (E) Mumbai –400051, Maharashtra, India	CLSA India Private Limited 8/F, Dalamal House, Nariman Point Mumbai 400 021 Maharashtra, India	IIFL Securities Limited 10th Floor, IIFL Centre Kamala City Senapati Bapat Marg Lower Parel (West), Mumbai 400 013 Maharashtra, India

Legal Counsel to the Company as to Indian Law	Legal Counsel to the Book Running Lead Managers as to Indian Law	Legal Counsel to the Book Running Lead Managers as to International Law
Shardul Amarchand Mangaldas & Co Amarchand Towers 216 Okhla Industrial Estate Phase III New Delhi- 100 020	Trilegal One World Centre 10th Floor, Tower 2A & 2B Senapati Bapat Marg Lower Parel (West) Mumbai - 400 013	Linklaters Singapore Pte. Ltd One George Street #17- 01 Singapore 049145

SCHEDULE 1

For calculation of WACA and identification of underlying transactions as described in (I) – (A), (B) and (C), we have performed the following procedures:

(i) Obtained the list of Promoter, promoter group, selling shareholder and shareholder(s) having the right to nominate director(s) as defined under ICDR Regulations from the management of the Company (ii) verified the details of primary issuance made by the Company relevant allotment forms, statutory registers of the Company filed with ROC (iii) verified the details of secondary acquisition / sale / transfer in respect of Promoter, promoter group, selling shareholder and shareholder(s) having the right to nominate director(s) from share transfer forms, demat transfer statements, depository instruction slips and other documents and accounts as may be deemed relevant, (iv) Relied on the confirmation provided by Promoter, promoter group, selling shareholder and shareholder(s) having the right to nominate director(s) (v) Relied on the details confirmation provided by the Company viz. details of vested ESOPs as on particular dates.

For the purpose of calculation of *5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days*, criteria, only forward 30 days allotment/transactions have been considered.



SCHEDULE 2

To evaluate the accuracy, validity and completeness of KPIs:

We have compared the amounts in the **Annexure A** hereto to the corresponding amounts appearing in the restated consolidated financial statements, audited standalone and consolidated financial statements, accounting records, other financial and / or operational records and registers, including invoices, management reports, internal financial and operational reports, reports used for periodic MIS reporting, reports from digital/ computerized systems, and other applicable committees and any other relevant records and documents of the Company necessary or required for verification of the relevant information, and found all such amounts to be in agreement.

In relation to the details with respect to comparison with peer group Companies of certain KPIs of the Company, for verification of the calculation provided by the Company team including the definition, we have relied on respective annual reports and half yearly results of such peer companies as available publicly.



Annexure A

Basic and Diluted Earnings per Equity Share (“EPS”) at face value of ₹ 2, as adjusted

Fiscal/ period	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2022	6.53	6.53	3
March 31, 2021	0.38	0.38	2
March 31, 2020	(2.01)	(2.01)	1
Weighted Average	3.06	3.06	
For the six month period ended September 30, 2022*	3.71	3.71	

*Not annualised

Notes:

- Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Indian Accounting Standard 33, notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with the requirements of SEBI ICDR Regulations.
- The ratios have been computed as below:
 - Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.
 - Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.
- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.
- Pursuant to the approval of the members at the 18th Annual General Meeting of the Company-held on July, 30 2021 to the sub-division of the Equity Shares of the Company, each equity share of nominal face value of ₹ 10 each was sub-divided to 5 (five) Equity Share of ₹ 2 each. The effective date for the said sub-division was July, 30 2021. Consequent to the share split, earnings per share for the Fiscals ended March 31, 2021 and 2020 have been retrospectively adjusted in accordance with Ind AS 33 Earning Per Share (EPS).
Basic EPS and Diluted EPS for the six months period ended September 30, 2022 and September 30, 2021 and Fiscals ended March 31, 2022, 2021 and 2020 are further adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period from the date they were convertible/ exercisable. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and have not been derived from Restated Consolidated Financial Information.
- Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. $\{(EPS \times Weight) \text{ for each year} \} / \{Total \text{ of weights} \}$.

Average Return on Net Worth (“RoNW”), as adjusted

Fiscal/ period ended	RoNW (%)	Weight
March 31, 2022	11.45	3
March 31, 2021	0.85	2
March 31, 2020	(4.60)	1
Weighted Average	5.24	
For the six month period ended September 30, 2022*	6.20	

*Not annualised

Notes:

- Return on Net Worth: Restated Consolidated profit/(loss) for the year/period attributable to owners of the parent divided by the Net Worth at the end of the respective year/period attributable to the owners of the parent.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation. Net worth represents the equity attributable to the owners of the Company and does not involve amount attributable to non-controlling interests.
- Weighted average is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. $\{(RoNW \times Weight) \text{ for each year} \} / \{Total \text{ of weights} \}$.
- Net worth as at September 30, 2022, March 31, 2022, March 31, 2021 and March 31, 2020 have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth has not been derived from Restated Consolidated Financial Information.

Net Asset Value (“NAV”) per Equity Share of face value of ₹ 2 each, as adjusted

Net Asset Value per Equity Share	(₹)
As on March 31, 2022	55.34
As on September 30, 2022	58.40

Notes:

- Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of year/period.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Consolidated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

3. Net Worth and the number of equity shares as at the end of the year/period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth and the number of equity shares outstanding as at the end of the year/period has not been derived from Restated Consolidated Financial Information.

Revenue details of the Company's Wine Business and Wine Tourism Business

Details of revenue from operations	Year ended March 31,			Six months ended	
	2020	2021	2022	September 30, 2021	September 30, 2022
	(in ₹ million, except as otherwise specified)				
(A) Wine Business ⁽¹⁾	4,930.98	3,984.24	4,166.27	1454.37	2,032.86
Own brands	3,316.22	2,873.00	3,808.91	1,317.04	1,915.47
– Elite (%)	18.48%	19.87%	24.05%	23.62%	25.14%
– Premium (%)	49.33%	48.71%	46.52%	46.06%	45.39%
– Economy (%)	15.06%	15.79%	13.62%	14.78%	12.62%
– Popular (%)	17.12%	15.63%	15.81%	15.55%	16.86%
Third Party Brands and distribution business ⁽²⁾	1,614.76	1,111.24	357.36	137.33	117.39
(B) Wine Tourism Business	281.67	181.38	346.21	120.88	198.00
(C) Others ⁽³⁾	3.69	13.97	26.68	16.25	9.82
Revenue from operations (A+B+C)	5,216.34	4,179.59	4,539.16	1,591.50	2,240.68
Year on year revenue growth (%)	-	(19.88)%	8.60%	-	40.79%
Revenue contribution (%)					
Wine Business - Own Brands	63.57%	68.74%	83.91%	82.75%	85.49%
Wine Business - Imports	30.96%	26.59%	7.87%	8.63%	5.24%
Wine Tourism Business	5.40%	4.34%	7.63%	7.60%	8.84%
Others	0.07%	0.33%	0.59%	1.02%	0.44%

Notes:

- Wine Business includes revenue from sales of owned wines (including the Maharashtra Government subsidy on sales tax or wine industry promotion subsidy ("Government Grants")) and other alcoholic beverages imported by the Company. For Fiscals 2020 and 2021, this also includes the revenue contribution from its erstwhile subsidiary, PADPL, which had a standalone revenue of ₹1,035.62 million in Fiscal 2020 and ₹607.88 million in Fiscal 2021. PADPL ceased to be a subsidiary of Company with effect from April 1, 2021.
- Third Party Brands and distribution business includes the revenue from sales of alcoholic beverages imported by the Company and revenue from brands distributed by its erstwhile subsidiary PADPL in Fiscals 2020 and 2021.
- Includes provisions and balances no longer required, which were written back, and other miscellaneous sale of packing material consumables etc.

Gross Margin and related KPIs

Particulars	Year ended March 31,			Six months ended	
	2020	2021	2022	September 30, 2021	September 30, 2022
	(in ₹ million, except as otherwise specified)				
Gross Margin ⁽¹⁾	2,491.51	2,238.38	2,963.64	1,036.24	1,577.75
Gross Margin (%) ⁽²⁾	47.76%	53.32%	65.29%	65.11%	70.41%
EBITDAE	504.93	645.12	1,160.71	300.55	643.06
EBITDAE Margin (%) ⁽¹¹⁾	9.68%	15.44%	25.57%	18.88%	28.70%
Net Asset turnover* ⁽¹³⁾	1.73	1.37	1.15	-	-
Cash Conversion Cycle* ⁽³⁾ (days)	237	317	347	-	-
Days Sales Outstanding* ⁽⁴⁾ (days)	115	125	98	-	-
Days Inventory Outstanding* ⁽⁵⁾ (days)	252	358	449	-	-
Days Payable Outstanding* ⁽⁶⁾ (days)	130	166	200	-	-
ROCE – reported* ⁽⁷⁾ (%)	4.09%	10.67%	20.86%	-	-
Net Working Capital Days* ⁽⁸⁾ (days)	26	48	65	-	-
Debt to Equity Ratio ⁽⁹⁾ (times)	1.23	0.99	0.58	0.76%	0.48
Debt to EBITDAE Ratio* (times) ⁽¹²⁾	7.29	4.67	1.97	-	-
Net profit/ (loss) for the year (PAT)	(159.40)	30.14	521.39	45.31	305.06
PAT Margin (%) ⁽¹⁰⁾	(3.06)%	0.72%	11.49%	2.85%	13.61%

Notes:

*These ratios cannot be computed for the six month period ended September 30, 2022 and September 30, 2021

14. Gross margin is calculated as the revenue from operations less (a) cost of materials consumed; (b) purchase of stock-in-trade; (c) changes in inventories of finished goods, work-in-progress and stock-in-trade; (d) restaurant expenses; (e) resort maintenance expenses; and (f) excise duty on sales
15. Gross margin (%) is calculated as gross margin divided by revenue from operations
16. Cash conversion cycle is calculated basis days sales outstanding plus days inventory outstanding less days payable outstanding.
17. Days sales outstanding is calculated basis average trade receivables (i.e. opening trade receivables plus closing trade receivables divided by 2) divided by revenue from operations *365 days
18. Days inventory outstanding is calculated basis average inventory (i.e. opening inventory plus closing inventory divided by 2) divided by the sum of (cost of materials consumed plus purchase of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade plus consumables, stores and spares consumed) * 365 days
19. Days payable outstanding is calculated basis average trade payables (i.e. opening trade payables plus closing trade payables divided by 2) divided by the sum of (cost of materials consumed plus purchase of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade) * 365 days
20. ROCE – reported is calculated basis earnings before interest and tax and exceptional item, divided by capital employed (i.e. total equity plus non-current borrowing)
21. Net working capital days is calculated basis current asset less current liability divided by revenue from operations
22. Debt to equity ratio is calculated basis total debt divided by total equity.
23. PAT margin (%) is calculated as net profit/ (loss) for the year (PAT) divided by revenue from operations
24. EBIDTAE margin (%) is calculated as EBIDTAE margin divided by revenue from operations.
25. Debt to EBIDTAE is calculated basis total debt divided by EBIDTAE
26. Net Asset turnover is calculated basis revenue from operations divided by Net Assets (i.e. Total assets less (a) non-current liabilities and (b) current liabilities)

Other KPIs related to the Company's Wine Business

Details of volume and revenue contributions of 'Elite' and 'Premium' categories as compared to 'Economy' and 'Popular' categories, are set out below:

Details of volume of sales and revenue of operations of Own Brands

Particulars	Year ended March 31,			Six months ended	
	2020	2021	2022	September 30, 2021	September 30, 2022
Elite and Premium					
Number of cases	393,878	330,562	442,833	153,579	214,153
Volume contribution (%) (1)	46.16%	46.09%	49.56%	48.98%	48.46%
Revenue of operations (₹ in million)	2,248.73	1,970.30	2,687.95	917.62	1,350.89
Revenue contribution (%) (2)	67.81%	68.58%	70.57%	69.67%	70.53%
Economy and Popular categories					
Number of cases	459,402	386,692	450,712	160,004	227,794
Volume contribution (%) (1)	53.84%	53.91%	50.44%	51.02%	51.54%
Revenue of operations (₹ in million)	1,067.49	902.70	1,120.96	399.42	564.58
Revenue contribution (%) (2)	32.19%	31.42%	29.43%	30.33%	29.47%

Notes:

1. Volume contribution is calculated as contribution to the total volume of Own Brand portfolio
2. Revenue contribution is calculated as contribution to the total revenue of operation from Own Brand portfolio

Other KPIs related to the Company's Wine Tourism Business

Particulars	Year ended March 31,			Six months ended	
	2020	2021	2022	September 30, 2021	September 30, 2022
Average Room Revenue (ARR) (in ₹)	8,759	9,044	10,367	10,225	10,195
Average Rooms Occupancy (%)	66.48%	43.66%	70.97%	55.69%	77.37%

Comparison with Listed Industry Peers

Following is the comparison with peer group companies listed in India:

Name of the company	Revenue from operations (₹ in million)	Face value (₹)	P/E	EPS (Basic and Diluted) (₹)	Return on net worth (%)	NAV per share (₹)
Sula Vineyards Limited*	4,539.16	2.00	[●]	6.53	11.45	55.34
Peer group**						
United Spirits Limited	310,618.00	2.00	76.14	11.68	16.63	67.09
Radico Khaitan Limited	124,705.02	2.00	53.36	19.70	13.18	149.46
United Breweries Limited	131,239.20	1.00	119.83	13.82	9.29	148.99

Source:

* All the financial information for the Company above is on a consolidated basis and is sourced from the Restated Consolidated Financial Statements. The Basic EPS, Diluted EPS, Net Worth and the number of equity shares as at and for the Fiscal ended March 31, 2022 have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options) were exercised in the financial year. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the Basic EPS, Diluted EPS, Net Worth and the number of equity shares outstanding as at the end of the year have not been derived from Restated Consolidated Financial Information.

**All the financial information for the industry peers mentioned above is on a consolidated basis and is sourced from the annual reports as available of the respective company for the year ended March 31, 2022 submitted to Stock Exchanges.

Notes for peer group:

- For the industry peers, the Basic and Diluted EPS refers to the Basic and Diluted EPS sourced from the financial statements of the companies respectively for the Fiscal ended March 31, 2022.
- P/E Ratio has been computed based on the closing market price of equity shares on NSE on November 25, 2022 divided by the Basic EPS as at March 31, 2022.
- Return on Net Worth (%) = Profit for the year ended March 31, 2022 divided by Total Equity of the Company as on March 31, 2022
- NAV is computed as the Total Equity of the Company as on March 31, 2022 divided by the outstanding number of equity shares as on March 31, 2022.

Industry P/E ratio

Based on the peer group information (excluding the Company) given below in this certificate, the highest P/E ratio is 119.83, the lowest P/E ratio is 53.36 and the average P/E ratio is 83.11.

Notes:

- The industry high and low has been considered from the industry peer set provided below. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed below.
- P/E Ratio has been computed based on the closing market price of equity shares on NSE on November 25, 2022 divided by the Basic EPS as at March 31, 2022.
- All the financial information for listed industry peers mentioned above is sourced from the consolidated audited financial statements/results of the relevant companies for Fiscal 2022, as available on the websites of the Stock Exchanges.



Parameters	Radico Khaitan Limited					United Spirits Limited					United Breweries Limited					Sula Vineyards Limited				
	FY20	FY21	FY22	6M, FY22	6M, FY23	FY20	FY21	FY22	6M, FY22	6M, FY23	FY20	FY21	FY22	6M, FY22	6M, FY23	FY20	FY21	FY22	6M, FY22	6M, FY23
Gross Margin*	11,788.49	11,963.73	12,905.79	5,989.83	6,462.79	42,965.00	36,757.00	44,209.00	19,670.00	22,719.00	33,581.10	22,137.20	29,123.20	12,831.60	18,670.20	2,491.51	2,238.38	2,963.64	1,036.24	1,577.75
Gross Margin* %	12.52%	11.39%	10.35%	10.07%	10.42%	14.91%	13.41%	14.23%	13.68%	14.74%	22.92%	21.73%	22.19%	21.58%	21.06%	47.76%	53.32%	65.29%	65.11%	70.41%
EBITDAE*	3,809.95	4,229.04	4,096.10	2,072.47	1,878.95	16,576.00	10,267.00	14,784.00	6,244.00	11,857.00	8,851.40	4,313.10	7,264.10	2,715.90	5,101.50	504.93	645.12	1,160.71	300.55	643.06
EBITDAE Margin* (%)	4.05%	4.03%	3.28%	3.48%	3.03%	5.75%	3.74%	4.76%	4.34%	7.69%	6.04%	4.23%	5.54%	4.57%	5.75%	9.68%	15.44%	25.57%	18.88%	28.70%
Net profit/ (loss) for the year* (PAT)	2,291.40	2,771.58	2,632.28	1,339.34	1,164.80	6,206.00	3,621.00	8,106.00	3,367.00	8,088.00	4,282.90	1,138.30	3,660.80	1,112.8	2,966.20	(159.40)	30.14	521.39	45.31	305.06
PAT Margin* (%)	2.43%	2.64%	2.11%	2.25%	1.88%	2.15%	1.32%	2.61%	2.34%	5.25%	2.92%	1.12%	2.79%	1.87%	3.35%	(3.06)%	0.72%	11.49%	2.85%	13.61%
Net Asset turnover*	6.10	5.86	6.15	-	-	7.82	6.76	6.37	-	-	4.16	2.84	3.33	-	-	1.73	1.37	1.15	-	-
Cash Conversion Cycle (days)*	60	75	73	-	-	76	85	68	-	-	88	137	82	-	-	237	317	347	-	-
Days Sales Outstanding* (days)	28	26	21	-	-	31	30	27	-	-	36	49	37	-	-	115	125	98	-	-
Days Inventory Outstanding* (days)	106	129	117	-	-	140	163	145	-	-	118	193	124	-	-	252	358	449	-	-
Days Payable Outstanding* (days)	75	80	66	-	-	95	107	103	-	-	66	106	79	-	-	130	166	200	-	-
ROCE – reported*	21.27%	20.58%	16.97%	-	-	37.08%	17.92%	24.09%	-	-	16.99%	5.40%	12.93%	-	-	4.09%	10.67%	20.86%	-	-
Net Working Capital Days*	23	28	28	-	-	-2	6	16	-	-	24	43	39	-	-	26	48	65	-	-
Debt to Equity Ratio (times)*	0.26	0.15	0.09	0.10	0.19	0.44	0.22	0.07	0.18	0.06	0.05	0.07	0.00	0.06	0.00	1.23	0.99	0.58	0.76	0.48
Debt to EBITDAE* Ratio* (times)	1.05	0.65	0.46	-	-	0.98	0.86	0.23	-	-	0.19	0.58	0.00	-	-	7.29	4.67	1.97	-	-

* In relation to these parameters for the Company, please refer to the notes given for the disclosure on 'Gross Margin' above.

Notes:

- Gross margin is calculated as the revenue from operations less (a) cost of materials consumed; (b) purchase of stock-in-trade; (c) changes in inventories of finished goods, work-in-progress and stock-in-trade; (d) restaurant expenses; (e) resort maintenance expenses; and (f) excise duty on sales
- Gross margin (%) is calculated as gross margin divided by revenue from operations
- Cash conversion cycle is calculated basis days sales outstanding plus days inventory outstanding less days payable outstanding.
- Days sales outstanding is calculated basis average trade receivables (i.e. opening trade receivables plus closing trade receivables divided by 2) divided by revenue from operations *365 days
- Days inventory outstanding is calculated basis average inventory (i.e. opening inventory plus closing inventory divided by 2) divided by the sum of (cost of materials consumed plus purchase of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade plus consumables, stores and spares consumed) * 365 days
- Days payable outstanding is calculated basis average trade payables (i.e. opening trade payables plus closing trade payables divided by 2) divided by the sum of (cost of materials consumed plus purchase of stock-in-trade plus changes in inventories of finished goods, work-in-progress and stock-in-trade) * 365 days
- ROCE – reported is calculated basis earnings before interest and tax and exceptional item, divided by capital employed (i.e. total equity plus non-current borrowing)
- Net working capital days is calculated basis current asset less current liability divided by revenue from operations
- Debt to equity ratio is calculated basis total debt divided by total equity.
- PAT margin (%) is calculated as net profit/ (loss) for the year (PAT) divided by revenue from operations
- EBITDAE margin (%) is calculated as EBITDAE margin divided by revenue from operations.
- Debt to EBITDAE is calculated basis total debt divided by EBITDAE
- Net Asset turnover is calculated basis revenue from operations divided by Net Assets (i.e. Total assets less (a) non-current liabilities and (b) current liabilities)

Source: All the information for listed industry players mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from their respective audited/unaudited financial results and annual report.