

PASSION



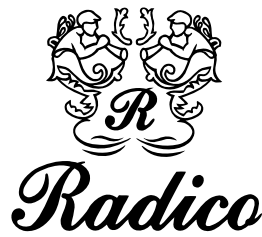
EXCELLENCE

CORPORATE STATEMENT
2011-2012



RADICO KHAITAN LTD.





FOR US, THE PLAY OF PASSION DELIVERS VALUE THROUGH A GREAT MIX.

IN TODAY'S DYNAMIC BUSINESS ENVIRONMENT, ONE WHO PASSIONATELY STRIVES TO UNDERSTAND WHAT CONSUMERS AND SHOPPERS WANT, GOES A LONG WAY. WITH AN INTENT AIMED AT GLOBAL SCALE AND AGILITY, RADICO KHAITAN IS SETTING NEW TRENDS BY ENSURING THAT ITS PASSION FOR EXCELLENCE TAKES THE ORGANIZATION ON A NEW HIGH.

SOLID FUNDAMENTALS THAT DRIVE OUR PASSION

Radico Khaitan's strategy is built on creating value through a systematic policy of upscaling its brands, or Premiumisation. Each of our brands has catapulted Radico to a new high of premium stature and credible international acclaim. The organisation has made a major bet on innovation, which it understands is a major driver of growth. Radico's constant innovation and greater customer delight with every brand is the outcome of its unchallenged leadership. Creating conditions for profitable and sustainable growth, the Group has all the means to seize opportunities, the right way. The culmination of premiumisation, innovation and customer satisfaction results in creating success stories for our brands. This is the fourth consecutive year for Radico to win international honors in the form of exclusive awards at Monde Selection (International Institute of Quality Selections).

Hall of Fame

Magic Moments Plain Vodka - Monde Selection Award - Gold Medal

Remix Chocolate Flavoured Vodka - International Spirits Challenge - Silver Medal

Remix Lemon Flavoured Vodka - International Spirits Challenge - Bronze Medal

Remix Orange Flavoured Vodka - International Spirits Challenge - Bronze Medal

Remix Raspberry Flavoured Vodka - International Spirits Challenge - Bronze Medal

Remix Green Apple Flavoured Vodka - Monde Selection Award - Bronze Medal

Remix Lemongrass & Ginger Flavoured Vodka - Monde Selection Award - Grand Gold

Remix Orange Flavoured Vodka - Monde Selection Award - Gold

Remix Lemon Flavoured Vodka - Monde Selection Award - Gold

After Dark Whisky - Monde Selection Award - Silver Medal

Morpheus Brandy - Monde Selection Award - Gold Medal



Dr. Lalit Khaitan - Chairman & Managing Director
Abhishek Khaitan - Managing Director



Dear Shareholders,

I am pleased to announce another year with a stellar performance despite the tough economic environment. The past year has been challenging for the Indian economy with increasing interest rates, high inflation and moderating GDP growth. However, the Indian consumer segment continues to show strong resilience and maintains a robust growth momentum.

Your Company recorded a strong 20% revenue growth and 16% EBITDA growth compared to last year. This was a direct result of our continued focus on premiumisation strategy which translated in a strong performance by our mainline brands led by the premium brands. Our premium brands, Magic Moments vodka and Morpheus brandy, continued on their high growth trajectories. In particular, Magic Moments crossed the two million cases mark which is a milestone. Other mainline brands including 8PM whisky and Old Admiral brandy also contributed significantly to the growth with over 4.5 million and 3.3 million cases sales during the year.

Radico Khaitan's future key growth drivers are increasing volumes of premium brands across various markets, selective acquisitions and joint ventures, developing export markets including bottling arrangements abroad and driving operational efficiencies. During the year, Radico Khaitan acquired two whisky brands from Mysore based Yezdi Group. These brands will further strengthen the Company's portfolio in the Southern markets. The Company is also taking initiatives to promote its brands in international markets through exports and joint ventures. Radico Khaitan's international business division also started selling its premium brands including After Dark whisky, Morpheus brandy and Magic Moments vodka through the duty free shops at Delhi International Airport.

Over the years, Radico Khaitan has been able to create a number of industry leading brands. This enables the Company to be optimally placed to benefit from its industry leadership position. Magic Moments continues to capitalize on the fast growing vodka consumption in the country, while After Dark and Morpheus received approvals for supply to the CSD and achieved encouraging sales volumes. This further strengthened Radico Khaitan's leading position in the CSD market.

While we need your ongoing support in our new endeavours, I would like to take this opportunity to thank our shareholders for their continued confidence and support. We look forward to a delivering shareholder returns and a bright future for your Company.

A Spirited Performance that Spells Class!

Dr. Lalit Khaitan
Chairman & Managing Director







Magic Moments: Zing up Life

What better way to zing up life than Magic Moments. India's largest selling vodka was launched with an international packaging, enabling the premium vodka to become a rage overnight. Produced from the finest grains, its triple distilled process is a mark of absolute purity. Adding on to the razzmatazz is an exciting array of flavours that make it smooth as silk. The spirit of Magic Moments is all about believing in creativity, excellence and working with the leaders of contemporary culture. No wonder, this amazing brand of vodka is a millionaire brand of Radico Khaitan and has won many coveted laurels for the organization, including the Gold medal for 4 consecutive years in the Monde selection.





**AFTER
DARK**
Whisky

One Life. Many Passions. Why Wait?

When darkness descends, the only thing that's awake are your temptations. Sate those wild desires with the fine blend of After Dark whisky. This premium category blend is renowned for its bold taste and character and offers a delightful mix for connoisseurs of taste. Just like the mystique of the night, engulf your senses in a spirit of passion, adventure and clandestine fantasies. Indulge in an energy that's spontaneous, quirky and magical. Because a passionate affair with life begins only After Dark.



