



**FRATELLI**  
-VINEYARDS-

**Date: February 20, 2026**

**To,**  
**The Listing Compliance Department**  
**BSE Limited**  
P. J. Tower, Dalal Street  
Mumbai – 400001

**To,**  
**The Secretary**  
**Calcutta Stock Exchange Limited**  
7, Lyons Range, Kolkata 700001

**Scrip Code: 541741**

**Subject : TRANSCRIPT OF INVESTORS AND EARNINGS CALL HELD ON MONDAY,  
FEBRUARY 16, 2026**

**Dear Sir/ Madam,**

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we are enclosing herewith the transcript of investor and earnings concall, held on Monday, February 16, 2026 on the financial and operational performance of Fratelli Vineyards Limited for the third quarter and nine month period ended on December 31, 2025 (Q3 9M FY26).

The aforesaid transcript is also available on Company's website at following link:-

<https://investor-relations.fratelliwines.in>

This is for your information and records.

Thanking You,

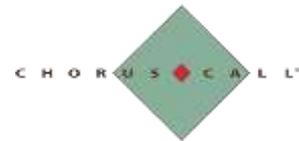
**Yours Faithfully,**  
**For FRATELLI VINEYARDS LIMITED**  
**[formerly known as Tinna Trade Limited]**

**Mohit Kumar**  
**Company Secretary**  
**ACS 38142**

**FRATELLI VINEYARDS LIMITED**  
**[Formerly known as TINNA TRADE LIMITED]**  
**CIN: L11020DL2009PLC186397**  
**Regd. Off: NO.6, Sultanpur, Mandi Road, Mehrauli, New Delhi-110030**  
**Tel NO.- +91-11-49518530, Fax: +91-11-26804883**  
**E mail: [investor.ttl@tinna.in](mailto:investor.ttl@tinna.in) Website: <https://fratelliwines.in/>**



“Fratelli Vineyards Limited  
Q3 & 9 Months FY '26 Earnings Conference Call”  
February 16, 2026



**MANAGEMENT:** **MR. GAURAV SEKHRI – CHAIRMAN AND MANAGING DIRECTOR – FRATELLI VINEYARDS LIMITED**  
**MR. ADITYA SEKHRI – DIRECTOR – FRATELLI VINEYARDS LIMITED**  
**MR. RAJESH GARG – CHIEF FINANCIAL OFFICER – FRATELLI VINEYARDS LIMITED**  
**MR. HEMANT ARORA – CHIEF BUSINESS OFFICER – FRATELLI VINEYARDS LIMITED**

**MODERATOR:** **MS. RIDDHI SHAH – GO INDIA ADVISORS**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Q3 and 9 Months FY '26 Earnings Conference Call for Fratelli Vineyards Limited hosted by Go India Advisors. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand the conference over to Ms. Riddhi Shah from Go India Advisors. Thank you, and over to you, ma'am.

**Riddhi Shah:** Good afternoon, everyone, and welcome to Fratelli Vineyards Limited earnings conference call to discuss quarter 3 and 9 months FY '26 results. We have on the call Mr. Gaurav Sekhri, Chairman and Managing Director; Mr. Aditya Sekhri, Director; Mr. Rajesh Garg, Chief Financial Officer; and Mr. Hemant Arora, Chief Business Officer.

We must remind you that the discussion on today's call may include certain forward-looking statements and must be, therefore, viewed in conjunction with the risk that the company faces. May I now request Mr. Gaurav Sekhri to take us through the company's business outlook and the performance subsequently to which we will open the floor for Q&A. Thank you, and over to you, sir.

**Gaurav Sekhri:** A warm welcome to all of you joining us for the Q3 and the 9-month FY '26 earnings conference call of Fratelli Vineyards. I hope you've had an opportunity to review our financial results and the investor presentation uploaded on the exchange.

Let me begin by sharing some highlights from the quarter. In Q3, we recorded a healthy growth in revenue along with an improvement in margins. This performance was supported by our evolving product mix and continued momentum in the luxury segment, which remains a very important part of our business.

During Q3 FY '26, the luxury segment delivered a revenue growth of 13%. For the 9-month period, the segment recorded a revenue growth of 20%, reflecting continued strength and healthy demand in this category for our brands.

Within this segment, our flagship brand continued to perform extremely well. J'NOON delivered a very strong growth, reporting 34% growth during the quarter and 53% growth on year-to-date basis. Sette also maintained excellent progress with Q3 growth of 5% and year-to-date growth of approximately 10%.

These brands continue to enjoy a strong consumer acceptance and remain central to our portfolio. The premium and above category remains a key top line contributor. For the 9 months, this segment contributed approximately 73% of our bottle business revenue, reflecting our consistent focus on high-value offerings.

In line with this approach, we launched Fratelli Brut during the quarter, strengthening our presence in the super premium sparkling wine segment. This product strongly supports our long-

term premiumization strategy. With this product, we are targeting iconic HoReCa accounts as well as Platinum and Gold retail outlets across India.

We also marked an important milestone for Sette, which completes 15 years to this year. To commemorate the occasion, we introduced a limited edition collector's bottle in collaboration with Manish Malhotra, one of India's top designers. Sette has always stood for structure, depth and aging potential, and this addition celebrates the journey of one of our flagship labels.

Alongside our premium and luxury initiatives, we continue to expand our offerings in the value segment. The F7 Port Wine launched in Maharashtra with plans for rollout in other states is also going well. Our Pinot Noir introduced in July 2025 has shown very encouraging trends, doubling its sales by December and now reaching close to 1,600 outlets.

Our ready-to-drink portfolio continues to deliver good momentum. Shotgun is seeing very good market traction with distribution now expanding to 18 states and the pan-India WOD of approximately 7,000 outlets. The brand continues to gain visibility, particularly across Tier 2, Tier 3 markets. We remain confident of reaching close to 100,000 cases by the year-end on 31st March '26.

The RTDs are clearly emerging as an important growth driver for us. Domestically, we also added 3 new SKUs, including Tilt, to the CSD portfolio, which remains to be a very important part of our business, and Fratelli is continuing to see very good acceptance of our wines in the CSD. On the international front, our presence has now expanded to 13 countries and more importantly, the exports have doubled this year compared to previous year.

Let me briefly touch upon the harvest. We always take pride in the fact that we are agriculturists and farmers first, and winemakers second. Harvest 2026 has been encouraging for us. Despite heavy rains during the season, the vineyard performance will be strong, and it has delivered good yields and more importantly, very good quality grapes.

The quality of wines produced will be, to our delight, they will be of a quality and standard that we can be proud of and will deliver the best experience possible at every price point. Let me now address an important industry aspect, the India EU free trade agreement, which has been a key topic of discussion across the domestic wine sector. As outlined under the current framework, India's prevailing import duties on European wines are expected to reduce in a phased manner.

The initial reduction is likely to bring duties down to around 75% with rates gradually easing over a period of time to 20% for premium wines and 30% for mid-range wines. Importantly, this adjustment is designed to unfold gradually over several years rather than creating any immediate disruption.

It is reasonable to expect that these changes could narrow the price gap between imported European wines and locally produced brands in certain categories. This has naturally raised questions within the industry, particularly given the aspirational appeal of the imported wines that gives them a natural advantage over the domestically produced wines.

At the same time, it is important to recognize that the duty concession apply only to wines imported above a minimum CIF price of EUR 2.5 per bottle. Wines below this price band, which represent a significant portion of Indian wines, will continue under the existing duty structure of 150%. In practical terms, this means that a large part of the domestic market remains insulated from the immediate tariff reduction.

Within the premium categories, competitive intensity may increase over time. However, Indian wine makers have already been responding to evolving consumer preferences by steadily moving up the value chain. At Fratelli, this shift is clearly visible in the growing contribution of our premium and luxury portfolio, where we continue to see encouraging demand as consumers increasingly trade up to higher quality offerings.

While imported brands may benefit from a gradually narrowing price differential, long-term competitiveness in the wine industry is rarely determined by pricing alone. For Fratelli, product quality, brand strength, consumer trust and innovation remain equally decisive factors.

We already have some validation of this through our brands like J'NOON and Sette, which are priced at INR2,500 for Sette and approximately INR4,000 or INR4,500 for J'NOON, which are continuing to grow very, very strongly in the Indian market.

The full impact of the EU FTA is expected to unfold progressively over the coming years. We will continue to monitor developments closely as market dynamics evolve. At the same time, broader category development and increased consumer participation in wine can serve as a positive long-term driver for the industry, including for domestic producers.

One important update. In the holdco level, Fratelli Vineyards, we have taken a onetime write-off of approximately INR5 crores to settle a long overdue receivable by realizing approximately INR4 crores. Post this, total receivables remaining are only approximately INR50 lakhs in the holdco and the same will be recovered within FY '26.

To conclude, we see encouraging traction across our portfolio and remain confident of sustaining this momentum. Growth in FY '27 will be supported by our expanding RTD business, continued strength in luxury brands and upcoming product launches. I now pass on to Aditya to please update regarding some operating highlights of the business.

**Aditya Sekhri:**

Good afternoon, everyone, and thank you for joining us. Let me briefly walk you through our performance for the quarter and the 9-month period. Starting with Q3 FY '26, we recorded net revenue from operations of INR65 crores, reflecting an 8% growth compared to Q3 FY '25. This growth was supported by a strong performance in the luxury segment and also with the RTD, which we've launched this year.

Gross profit for the quarter stood at INR48.8 crores compared to INR45 crores for the last year. Gross margins came in at 76%, broadly stable year-on-year with marginal variations largely reflecting product mix dynamics.

EBITDA for the quarter increased to INR5.5 crores from INR1.6 crores in Q3 FY '25, with margins improving to 8.6%. This improvement was driven by operating leverage, disciplined cost management and savings in electricity expenses following our solar installations.

At the profitability level, we reported a positive PBT of roughly INR0.1 crores compared to a loss in the corresponding period last year. PAT also turned positive, reflecting stronger operating performance.

For the 9-month period, revenue stood at INR147 crores approximately, broadly in line with last year, though marginally lower. The softer performance during the first half was largely due to regulatory disruptions in certain markets like Maharashtra, Uttarakhand and Telangana.

In Telangana, sales were temporarily impacted by expiry of retail licenses. With fresh licenses issued in December, normalization is underway, and we expect improved momentum in Q4 FY '26. Similarly, Uttarakhand witnessed an impact following changes in its excise policy, where sales are now restricted to imported products or those manufactured within the state for departmental stores, which contributed to a large part of our sales previously.

Gross margin for the 9-month period remained healthy at 78%, though slightly lower year-on-year, reflecting product mix variations, and EBITDA for the period stood at INR4.7 crores. During the quarter, we remained focused on strengthening our brand through targeted investments in the RTD launches, rebranding initiatives and collaborations designed to enhance long-term growth.

Depreciation and finance costs were higher during the period, driven by the commissioning of new assets and borrowings undertaken for capacity expansion. This represents strategic investments that position the company for future scale and efficiency gains.

For 9 months FY '26, we incurred a total capex of approximately INR10 crores, primarily towards vineyards infrastructure and plant and machinery. These investments are aimed at strengthening our future readiness.

Going forward, our emphasis remains on strengthening operating leverage, improving efficiencies and extracting greater value from the existing infrastructure that we hold right now. With improved scale and product mix, we expect these efforts to continue supporting operating performance.

Fratelli today operates with a diversified portfolio of over 50 SKUs spanning all relevant wine categories of reds, whites, roses, sparkling wines and the RTD sector now and reaches every relevant price point across all demographics. These offerings, combined with the pan-India presence across more than 30,000 touch points now and exports to over 13 countries provide resilience in multiple growth levers.

In relation to the evolving EU FTA framework, the full impact is expected to unfold progressively over time. Management continues to monitor the situation closely. Portfolio strength, brand positioning, product quality and distribution reach will remain key determinants of competitiveness as the industry landscape evolves.

Despite near-term regulatory challenges, the underlying business fundamentals remain stable. Key segments continue to perform well. Cost efficiencies are improving and the operating environment is showing signs of normalization now. Thank you, and we can now open the floor for more questions.

**Moderator:** Thank you and we can now open the floor for more questions. Our first question comes from the line of Chetan from Systematix Group.

**Chetan:** Congratulations on the improved performance. Firstly, I had a few questions on our state-wise business. So you have highlighted Telangana license expiry impacted H1. How big would Telangana be for us in terms of, say, revenue or volume share?

**Aditya Sekhri:** So Telangana approximately is still despite all the challenges that have had, they have been roughly about 11%, right? Just give us a second, we'll just confirm this, please.

**Chetan:** Yes.

**Aditya Sekhri:** So roughly the contribution is about INR15 crores for the year.

**Chetan:** Okay. And what would be, say, our revenue contribution from our top 3 states and which would be 3 states be?

**Aditya Sekhri:** So we've always given our mix regionally and not at a state level. But as Telangana has been a challenging aspect, we have mentioned that. But the regional mix roughly for us is about 25% from the northern markets, roughly about 25% from south, 20% from Maharashtra and the west block and the balance coming from east and defence.

**Chetan:** Okay, okay. Got it. And sir, lastly, a couple of questions on the India EU FTA. So do you expect some increased competition from the European labels in the, say, INR1,500 plus price band? And if you can highlight what portion of our portfolio will be in this price band?

**Gaurav Sekhri:** Gaurav Sekhri here. See, our math shows that a wine which is at EUR2.5 per bottle, even with the new FTA regulations kicking in, it will land on Indian shelves closer to INR2,000 retail. That's point one.

Now we do have our brands like Sette and J'NOON, which currently price themselves higher than this sort of cut-off number. And I had mentioned in my opening remarks that we have seen excellent growth in both of them in this financial year.

So I think with European wines becoming even slightly more competitive will only make consumer awareness higher for good quality wines. And our wines like Sette and J'NOON can compete with the best-in-class and the response and repeats and recognition those brands are seeing, I am not overly concerned for these 2 brands at least. I cannot speak for the other Indian competition.

**Chetan:** Right, right, sir. And sir, we too will also get, say, better access now to EU market, right, in terms of exports?

**Gaurav Sekhri:** Yes, I believe that will benefit us as well. But the export of our wines is a very small part of our overall business. And for the foreseeable future, I think it will remain so. So yes, it will improve our ability also to sell wines there. But Indian wines will always be competing with 50, 80 different countries for shelf space. So it will remain to be a small contributor, not enough to matter, frankly.

**Moderator:** Our next question comes from the line of Girish Kumar from ValPro.

**Girish Kumar:** Sir, I have a few questions. My first question is, sir, could you help us understand the gap between your healthy gross profit margins and the relatively lower EBITDA? What are the primary factors impacting this conversion?

**Gaurav Sekhri:** See, our most of the costs are in line with some of our competition to the best of our ability, the ones whose records are available publicly for us to compare. Things like cost of goods, etcetera, are very much in check. We do tend to spend more in brand building and brand investments versus competition. We are at around 8% of our top line. I think that is one key factor.

Also, I think the -- some of the promotions that we do to trade also are a little bit on the higher side, higher than where we wish to see them. But that is a function of as your brand builds and develops, one can control those expenses better. So we are still a very young brand. I think we are maybe another 1, 2 years away from our ability to do that.

**Girish Kumar:** My second question is, sir, can you share insights on the positioning of your premium brand? What is its current contribution to overall revenue? And what growth trajectory do you see in the future?

**Aditya Sekhri:** So premium and above brands contribute more than 70% of our revenue. That's been the case for us for quite some time and will continue to remain the same. The premium and the super premium segment for the 9-month period for us saw a moderate decline. It was roughly approximately around 10% for the year.

And that was mainly, as I had mentioned earlier, led to a lot of regulatory aspects through the 9-month period. However, if you see for quarter 3, this has been normalized, and it saw a much larger recovery with a 1% growth for the quarter 3.

**Girish Kumar:** And sir, could you break down your revenue by distribution channel? We are -- I'm particularly interested in understanding how your hotel, restaurant and cafe channel performs compared to your competitor Sula's presence in this segment?

**Aditya Sekhri:** So for us, it's roughly 65% coming in from the retail channel and 35% coming from the on-trade channel. This is for our bottles business. However, with the launch of Shotgun, our retail contribution now will continue to rise and go north of 70% in the subsequent year.

**Girish Kumar:** And sir, my last question is, after that, I'll go back to the queue. Sir, what percentage of your total revenue comes from the vineyards stay and hospitality experiences?

- Gaurav Sekhri:** Gaurav Sekhri here. That's a very small part of our business because we, at the moment, only have a 4-bedroom property at our vineyards, which when we are not using for our own use because we have our vine makers and visitors from Italy quite often, then we offer it into the market. So it's a very, very small component. It's only 4 rooms.
- Moderator:** The next question comes from the line of Majid Ahmed from PinPointX Capital.
- Majid Ahmed:** Yes, sir. Sir, my first question is how should we think about EBITDA margins going forward? And what are the structural levers to support further improvement, sir?
- Gaurav Sekhri:** See, we are at a business, I think, at an inflection point where business has reached a certain size whereby it will reach a net-net breakeven within the coming year. So I believe going forward, you can expect Fratelli to operate at around -- maybe around 10% to 12% EBITDA margin can be expected in the immediate future.
- Majid Ahmed:** So can we expect that in FY '27?
- Gaurav Sekhri:** Yes, that's right.
- Majid Ahmed:** Okay, sir. Sir, what is the go-to-market strategy for Fratelli Brut and F7 Port Wine in terms of target consumer segments and geographical focus?
- Gaurav Sekhri:** Your voice is a bit muffled. Can you please repeat? We are not fully getting your question. You can attempt again, sure.
- Majid Ahmed:** Yes, sir. So what is the go-to-market strategy for Fratelli Brut and F7 Port Wine in terms of target customer segments and geographic focus?
- Aditya Sekhri:** So both are completely different products and in completely different segments. The Fratelli Brut was launched at a INR1,500 price point with state-of-the-art packaging with a clear goal to increase our presence in the super premium segment, which is between INR1,000 and INR2,000, given that there's still a lot of potential for us to increase our market share in that segment.
- The F7, which is a port wine, which was launched at approximately INR280 in Maharashtra, has a clear view for us, which is to increase our penetration in Tier 2 and Tier 3 cities and grow our base there in the economy segment.
- Majid Ahmed:** Okay, sir. Sir, are we targeting South Indian market for these wines with like Pondicherry, Goa or Kerala kind of geography?
- Aditya Sekhri:** So Fratelli has a very strong presence in all the southern markets. So the products that we have mentioned in the new excise year that we will see right now, we will see these products getting registered there as well.
- Majid Ahmed:** Okay, sir. Sir, finally, sir, how should we think about A&P investments as a percentage of sales over the medium term?
- Aditya Sekhri:** So we see it normalizing between 7% to 8% over the next years. That's the plan.

- Moderator:** The next question comes from the line of Rajveer Tandon from Ventura Securities.
- Rajveer Tandon:** So my questions were that, first of all, could you provide an update on the harvest this year? How was the performance? And what specific measures have been implemented to safeguard and enhance the grape quality to support the premium positioning strategy?
- Gaurav Sekhri:** Gaurav Sekhri here. The harvest is progressing well. So far, the yields and the quality looks good. This was part of my opening remarks. We have been at it now for almost 17, 18 years. So there is a lot of experience in-house now to deal with the variables.
- This year, the big variable being very high amount of rain, so a lot of extra humidity. But our team has done an excellent job in managing that. And like I said, we are in the middle of harvest and things are progressing well.
- Rajveer Tandon:** Okay. So your next question would be with the aspirational positioning of European wines in the Indian market and India EU duty reductions, what do you think the volumes would be? For Fratelli, how it will be affected the pricing strategy and the competitive positioning?
- Aditya Sekhri:** So we've already given some clarity on the FTA and its impact in our opening remarks, but I'll just get into a little more detail. The luxury category, which will see an impact eventually in a phased manner is above INR2,000, as we had mentioned, with the FTA coming into play.
- For us, our revenue contribution from all our products in the luxury category are only roughly 7% of our overall revenue. So while there is a challenge in that segment, and there will be more competitiveness, we are also growing the fastest in that segment since we have been the front runners in establishing very high-quality products for a very long period of time.
- So while the market will get more competitive in that INR2,000-plus MRP space, we still see very, very strong growth momentum and Indian consumers getting more informed towards better quality wines coming into play.
- Rajveer Tandon:** And do you see any possibility of state governments introducing any additional duties or levies on imported wines to safeguard the domestic producers?
- Aditya Sekhri:** No, I think it's been established the plan going ahead. Of course, a lot of these things will play progressively over the next 1 year and then get phased out over the next 5 years. But for the time being, what's been stated is what we are keeping into account as well.
- Moderator:** The next question comes from the line of Harshita Maheshwari from InVed Research.
- Harshita Maheshwari:** So my first question is on the wine tourism. So could you share an update on the progress of the wine tourism...
- Moderator:** Sorry to interrupt, Harshita, your voice is muffled. Could you please use your phone on handset mode in case if you are using any hands-free?
- Harshita Maheshwari:** Now it's audible?

- Moderator:** Yes, much better.
- Harshita Maheshwari:** Okay. So could you share an update on the progress of the wine tourism initiative and the key milestones achieved so far? And what timeline should be factored in for project completion? And what kind of revenue potential or margin profile could this segment generate once stabilized?
- Gaurav Sekhri:** Gaurav Sekhri here. On the hospitality front, we are -- we have signed a term sheet with an operator. We are now negotiating a definitive agreement and working on other plans for making the funds available as well as the design parallelly. I think it will be a bit premature. I would prefer to wait and tell you the timelines in the next 1 or 2 quarters. But we have signed a term sheet. We are progressively working towards a definitive agreement as well as the design and the funding.
- Harshita Maheshwari:** And what is the revenue potential and margin profile for that segment?
- Gaurav Sekhri:** The margin profile will be very similar to a typical hospitality business. Our positioning is going to be for a luxury resort, not large. We are not looking to build beyond 40 keys. So commensurate with that size.
- Of course, with the added benefit of our ability to be able to do ex cellar door sales of wine, which is an attractive part of this business beyond just a typical hospitality P&L is the opportunity we get as a wine maker to sell ex cellar door that is very profitable as well as the opportunity to brand build, which is also very good. So those are the added benefits.
- Harshita Maheshwari:** Okay. Got it. My other question is on Shotgun. So within Shotgun, what is our current market positioning and share in the relevant category? How much we are allocating towards advertising and promotion? And what key initiatives are planned to scale the brand further?
- Aditya Sekhri:** So Shotgun was launched right towards the end of FY '24, '25 and has now progressed to being available in approximately 18 states, as I've mentioned. The monthly run rate and some of the statistics exactly of the progress, I'd be happy to share once the financial year has ended. But as I mentioned, we are on track to hit 100,000 cases with a revenue contribution of more than INR20 crores by -- of INR20 crores by year-end.
- Moderator:** The next question comes from the line of Deepali Kumari from ACML Capital Markets.
- Deepali Kumari:** Okay. Could you share your perspective on the overall outlook for the Indian wine industry, how has it evolved over the past few years and...
- Moderator:** Sorry to interrupt, Deepali, your voice is breaking. Could you please change your location?
- Deepali Kumari:** Yes. Okay. So I have a few questions. Like could you share your perspective on the overall outlook for the Indian wine...
- Moderator:** Your voice is still not audible, Deepali. I would request you to fall back into the queue. I'll move to next participant. We take the next question from Nitin from Emkay Global Financial Services.

**Nitin:** My first question pertains to UP market where last week, the budget got in place and it seems like there is some sort of a duty reduction. So I just want to check how material is the market for us? And how do you think that duty reduction is going to help overall industry, wine industry?

**Aditya Sekhri:** UP has been one of the fastest-growing markets for the Indian wine industry for the last 3 years, especially post COVID, and it contributes approximately 6% of our overall revenue at the moment. The policy for us, the way it comes into play, we'll get a better idea in the next 15 to 20 days as we get towards the start of the next year. But currently, all the industry momentum and the work done in UP looks very promising.

**Nitin:** My next question pertains to your -- how do you see the European FTA impacting like wine category. So I just want to check upon like what is the salience of our revenue above INR2,000. And I guess the luxury segment, you have highlighted 7%. And could you also help us understand the size of the imported wine market in India right now? And of that, what is the salience of European wine?

**Aditya Sekhri:** So for us, as I mentioned already, the luxury segment contributes roughly 7% of our overall revenue. That comes into any of our products above INR2,000 MRP. The FTA, which will get implemented eventually, will impact Indian wines above an MRP of INR2,000. However, that will be done in a phase-wise approach.

As I had already mentioned that since the luxury segment has been a very, very dominant part of our portfolio, and we hold more than 55% market share in that segment and is growing at more than 20% Y-o-Y, I don't see any challenges for us in the near or short-term future for that segment.

**Nitin:** Sure. This is helpful. And like can you help us understand like, I guess, Indian domestic wine is sized at around INR1,000 crores. I just wanted to check like what is the size of the imported wines in India? And how much of the share is with the European wines?

**Aditya Sekhri:** Yes. So it will be hard to give an exact number on the share of European wines at the moment, but the imported wine industry is roughly INR600-odd crores.

**Nitin:** Okay. So like around INR1,600 crores is the overall TAM for the wine and our RTD is INR500 crores. So around INR2,100 crores is the TAM. Would that be a good assessment?

**Aditya Sekhri:** Yes, that's correct.

**Nitin:** Sure. And my last question pertains to like in terms of overall wine as a category, like any sense you can provide in terms of like the growth has been slow despite like aggressive promotions, brand activity.

So like what according to you are -- would be the factors or like a driving factor ahead? Is it like we will continuously have to look into the trade and influence consumer? Or do you think that state actions are also important in terms of developing the low alcoholic beverages category like wine?

**Aditya Sekhri:** So I think growth in India still is or should be prevalent across all our categories in which we sell. Since wine in India is still roughly only 1% of overall consumption, so we see room to grow in almost every category at the moment.

However, the RTD category for the last roughly 2 years is growing at a speed of almost 30% quarter-on-quarter. And therefore, we see a higher growth potential in that segment over the next 2 years at least. But domestic demand still seems good.

The premium segment, which is INR700 to INR1,000 has been extremely competitive for the last 2 years and has been affected due to a lot of regulatory factors that have come into play. However, Q3 was a very, very good sign that things have begun to normalize in that segment as well.

**Moderator:** The next question comes from the line of Girish Kumar from ValPro.

**Girish Kumar:** Sir, my next question is what is the current state of capex in hospitality project?

**Gaurav Sekhri:** Gaurav Sekhri here. At the moment, we have done very minimal capex only in some consultant-related fee. Otherwise, the actual capex has not begun. We have not broken ground. I hope that clarifies the current situation to you.

**Girish Kumar:** Okay. My last question is also what is the current trend of wine consumption currently in our Tier 1, Tier 2 and Tier 3 cities? Are there any signs of uptick?

**Gaurav Sekhri:** So I think just before you, there was a question kind of related to that, and we had presented sort of our view on wine as a category. I think what I can add to that is that wine is an aspirational product, when people come of legal drinking age, when they start drinking alcohol, if you see the choice for that young consumer with -- who's also very conscious of how much money he or she can spend, the options so far have always been products, either beer or some cheaper spirits, etcetera.

I think what RTD will do and the wine-based RTDs is a relatively new trend, it will introduce consumers to the taste and the experience of wine. And as they progress in their life, in their careers, have slightly more money available to them, then they are already prepared to experiment and experience wine.

So I believe we will see a very strong adoption of wine as a lifestyle product across India. It's not just Tier 1, Tier 2, Tier 3. Of course, in Tier 2, Tier 3 cities, the potential is even greater. And that is how we see the market.

I think to that, the only other thing to further give you clarity is that in the last 3, 4 years, we've seen cities like Kanpur, cities like Vijayawada, which have shown very encouraging trends in consumption of wine. And India is many countries within a country, you only need a few pockets like this, which can completely change the growth dynamic.

**Moderator:** The next question comes from the line of Deepali Kumari from ACML Capital Markets.

- Deepali Kumari:** Okay. So I have a few questions. Have we gained market share during the year either overall or in specific segment?
- Gaurav Sekhri:** Sorry, Deepali, we are -- your voice is still muffled.
- Deepali Kumari:** Yes. Sir, like have we gained market share during this year either or overall in a specific segment?
- Gaurav Sekhri:** I think your question is, have we gained market share, right?
- Deepali Kumari:** Yes, right, right.
- Gaurav Sekhri:** Yes. So Deepali, our market share in the domestic wine market for the year still remains at roughly 31% for the 9-month period.
- Deepali Kumari:** Okay. And sir, like could you provide some guidance on revenue growth and margin for the near to medium term?
- Aditya Sekhri:** Is that an outlook you're asking for?
- Deepali Kumari:** Yes.
- Aditya Sekhri:** Yes. So the outlook for the year will be to end at roughly 7% revenue growth and with a far better Q4. And for next year, we'll be giving you a better idea in the next quarter's earnings call.
- Deepali Kumari:** Okay. And on the margin side?
- Aditya Sekhri:** On the margin side, we have already given that information. We will be targeting about 10% EBITDA for next financial year.
- Moderator:** The next question comes from the line of Marutinandan Sarda, an Individual Investor.
- Marutinandan Sarda:** Congratulations for a good set of numbers. My question is on the long-term vision of the company. Like by 2030, you have mentioned in previous presentations that we are targeting a INR500 crores revenue. So are we still on to that number or we are going to increase that? And what is the long-term margins we are targeting? Like next year, you have given that 10% to 12% will be achievable next year. But in long term, can we target like 17%, 18%, 20% margins?
- Gaurav Sekhri:** Gaurav Sekhri here. So firstly, I fully believe that in a B2C alcobev business, margins -- EBITDA margins of between 15% to 20% even in wine business are very much possible. It's an issue of scale and getting to a certain point so that one can spread your costs better. I believe that is possible.
- In the coming financial year, we do believe we can get to approximately 10% to 12% EBITDA margin, and we would first like to get there and then kind of give you guidance further. I hope this sort of helps you get a sense of the direction we are heading.

- Marutinandan Sarda:** Got it, got it. Secondly, my question is on, it's a bit hypothetical, but you may choose not to answer it also. And currently, Sula and Fratelli, these are the 2 big boys in the wine industry. So do we have any kind of plans like INOX and PVR, they did the merger and they became a big giant. So do we have any such plans of JV or something of that sort?
- Gaurav Sekhri:** No, thank you for the question. It is impossible to comment on this. So at this point, I think we can't give you any guidance on this.
- Moderator:** The next question comes from the line of Kaustav Pandey from Business Money Solutions.
- Kaustav Bubna:** So in your presentation, you classified that 73% of your revenues come from premium and above. And you're saying that only 7% of your revenues is INR2,000 plus. So could you just help me break up what -- at what pricing is premium, super premium and luxury in your portfolio? First that?
- Aditya Sekhri:** Absolutely. So we've done that in the previous earnings calls, but happy to do that again. So our premium segment starts at roughly INR550. The premium goes from INR550 to INR1,000, INR1,050. Super premium is INR1,050 to INR2,000, and then luxury is INR2,000 plus onwards.
- Kaustav Bubna:** Don't you think that there's also a possibility for the super premium segment to shift to European wines when they become cheaper just because of the aspirational thought in people's minds?
- Aditya Sekhri:** So I think it will make the market above INR2,000 more competitive. That's for sure, but it will also expose the Indian consumers to a lot better wines, which will be available across. So I think, again, when they compare an Indian wine with extremely high quality to some good European wines coming in, it will just improve the consumer dynamics at an overall level. But yes, it will become more competitive, but we're confident that we'll be able to hold our advantage as we're already north of 55% market share in that segment.
- Kaustav Bubna:** Are you, domestic producers, getting together to do some sort of representation to the government because of this? Is that even possible? Are you all thinking about it because of this...
- Gaurav Sekhri:** This is Gaurav Sekhri. We do have a very effective association, and via that association, we are in constant dialogue with the government, and we did get a chance to present our case to Ministry of Commerce.
- But as you know, that there are many, many priorities that the government has. We made our side of the story amply clear. And we -- like I said, we have an effective association which is -- which has a seat on the table. So it is not like this decision was taken without us being heard.
- Kaustav Bubna:** Okay, okay. And in the last slide, in 9 months FY '26 versus 9 months FY '25, your revenue has basically been flat. So why is this happening? Could you explain why have we been flat on a 9-month basis?
- Aditya Sekhri:** So a lot of those factors were pertaining to the half yearly challenges, which we faced in the premium segment, which is INR550 to INR1,000 as a whole. So at a 9-month level, the whole premium category has been down about 13% to 14% roughly for us. And this was primarily

driven by the regulatory factors which were present up to H1. However, in Q3, as I mentioned, this scenario has normalized.

**Kaustav Bubna:**

Okay. Fine. I'll just close my -- I'll just close off by just posing a question to you. Feel free to answer if you want to. Regulatory challenges have been coming up. We haven't really grown much even without European wines being cheaper. Everyone knows that European wines are some of the most preferred wines in the world. I'm just trying to understand how will you grow with this challenge coming ahead? I'm just finding it really tough to see how will you grow with this challenge coming ahead?

**Gaurav Sekhri:**

No, fair enough. I think your concern is -- we respect that. See, firstly, where are we today and how we perform today, I think let's put it in perspective. We have grown -- while we have not grown 9-month basis, our Q3 performance this year versus Q3 performance last year, we have started seeing the green shoots of growth again. So I would like to think that this trend will continue. That's point number one.

I think in terms of growth levers, consider this, our luxury business has grown very handsomely in this financial year. Our top-selling wine or not top selling, but the most expensive wine from our portfolio, J'NOON, has grown almost 50%, 5-0.

Now of course, the base is small. But clearly, there is a consumer preference and a discerning consumer, which is happy to pay that price. And you can -- it is to be expected that the margin profile on such products is far better versus me selling a wine, which is at INR500. So we are seeing positive trends there. That's one.

Second is the RTD business, Shotgun, which is year 1, we are approaching almost 100,000 case sale. Now that shows the potential of the Indian market, our ability to judge the consumer preference and deliver a product and at a price point which has seen some consumer love.

I think this gives us very good platforms to grow hereon. So I remain very confident, very optimistic. And I hope the business that we will be able to show quarter-on-quarter in FY '27 will be reflective of this.

**Moderator:**

The next question comes from the line of Sankalp Patil, an Individual Investor.

**Sankalp Patil:**

Yes. Sir, I want to ask a question regarding your product mix. Our competitor is having a product which is going very well at price range of INR1,500 to INR1,200. So are there any plans to bring products in this range?

**Gaurav Sekhri:**

So I don't -- I cannot comment on our competitor. What I can tell you is that we have a fantastic product offering in this range under the brand range Master Selection, which we have only about a year ago, rebranded it and upgraded the appearance, label, bottle, even the liquid.

And that is seeing excellent traction. We are looking to expand that range. And yes, it is a very interesting price point. I think Indian consumers are generally very happy with this price point. So this is a focus area for us as well.

**Moderator:** Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for their closing remarks.

**Gaurav Sekhri:** This is Gaurav Sekhri again. On behalf of the Fratelli, to everyone who has joined the call today, I would like to express my thanks. We greatly appreciate your interest in our company and you sparing your valuable time to be with us today. Have a lovely afternoon and look forward to speaking to you again soon. Thank you.

**Moderator:** Thank you, sir. Ladies and gentlemen, on behalf of Go India Advisors, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.