**November 06, 2026**

To,
**BSE Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400001
**Scrip Code : 507205**

To,
**National Stock Exchange of India Limited**
Exchange Plaza, C-1, Block-G,
Bandra-Kurla Complex, Bandra (East),
Mumbai-400 051.
**Symbol : TI**

**Sub: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of Earnings Conference Call held for Q2 FY27 results**

Dear Sir/Madam,

With reference to our letter dated October 27, 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the earnings conference call with analysts and investors held on Saturday, October 31, 2026 to discuss the Q2 FY27 results.

The same is available on the website of the Company at www.tilind.com.

Kindly take the above on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For **Tilaknagar Industries Ltd.**

Minuzeer Yazdi Bamboat
Digitally signed by Minuzeer Yazdi Bamboat
Date: 2026.11.06 15:31:25 +05'30'

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# Tilaknagar Industries Limited

## Q2 FY27 Earnings Conference Call Transcript
## October 31, 2026

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**Moderator:** Ladies and gentlemen, good day, and welcome to the Tilaknagar Industries Limited's earnings conference call.

I now hand the conference over to Mr. Siddharth Rangnekar from CDR India. Thank you, and over to you, sir.

**Siddharth Rangnekar:** Thank you. Good morning, everyone, and thank you for joining us on Tilaknagar Industries Limited's Q2 FY27 earnings conference call. We are joined today by Chairman and Managing Director, Mr. Amit Dahanukar, Chief Strategy Officer, Mr. Ameya Deshpande, Deputy Chief Financial Officer of the company, Mr. Anil Singal, and General Manager, Growth and Innovation, Ms. Sanaya Dahanukar.

We shall commence with views from Mr. Dahanukar on the brief of performance and financial highlights, followed by commentary from Mr. Deshpande on the strategy going ahead. This will be followed by an interactive question-and-answer session. Before we commence, I would like to state that certain statements made on today's call could be forward-looking in nature. And a disclaimer to this effect has been included in the results presentation that was shared with you earlier and which is also available on the Stock Exchange website.

I would now like to request Mr. Dahanukar to make his opening remarks. Over to you sir.

**Amit Dahanukar:** Good morning, everyone. Happy to have you all join us on this earnings call to discuss the Q2 FY27 results. I will provide an update on the current quarter's performance, which will be followed by Ameya taking you through the updates on our strategic investments, Imperial Blue integration and guidance on future performance.

Before I begin with the quarterly performance, there are a few key highlights I wanted to share. Firstly, both our flagship brands, Imperial Blue Whisky and Mansion House Brandy have registered a robust secondary volume growth of 8.5% and 7.1%, respectively, in Q2 FY27 versus Q1 FY27. This has led to 100 bps market share increase for Imperial Blue and 70 bps market share increase for TI in Prestige & Above segment on a quarter-on-quarter basis in Q2 FY27. Imperial Blue market share rose

in 17 states across India with significant market share gains in Karnataka, Andhra Pradesh, Uttarakhand, Assam and Rajasthan.

We have continued to introduce Imperial Blue in newer markets by launching the brand in Kerala during October 2026. We will soon be launching the brand in Tamil Nadu as well. While these are smaller whisky markets, we are confident that our existing presence in these states will immensely benefit Imperial Blue. We have leveraged Imperial Blue's distribution strength in Daman and Diu to re-launch Mansion House Brandy and in Uttarakhand to launch Madira Rum. We have also introduced Imperial Black in Uttar Pradesh and Meghalaya during the quarter.

In Q2, our overall volumes increased by 160% on a year-on-year basis and 2% on a quarter-on-quarter basis. The quarterly growth was largely flattish on account of higher primary in Q1 FY27 in the states which had exited TSMA during Q4 FY26 and states which were planned for exit in June 2026.

Now moving to financial performance, the overall NSR moderated by 0.75% to Rs. 1,174 per case for Q2 FY27 from Rs. 1,183 per case in Q1 FY27 and increased by 3.2% from Rs. 1,138 per case in Q2 FY26. On a H1 basis, the NSR grew by 4.2% from Rs. 1,131 in H1 FY26 to Rs. 1,179 in H1 FY27. The slight reduction in NSR in Q2 was on account of change in state-mix and brand-mix, however, we are confident of sustained growth in NSR going forward. The NSR growth will be driven by favourable state mix, price increases and expected new launches FY28 onwards.

We witnessed a strong growth of 173% year-on-year basis to reach a net revenue of Rs. 1,035 crore during the quarter. Adjusted for subsidy, we recorded a growth of 172% to reach Rs. 1,033 crore.

The ongoing geopolitical tensions have resulted in continued inflationary pressures across packaging inputs particularly glass, resulting in a meaningful increase in packaging costs during the last 2 quarters. While exiting Q2 FY27, ENA prices have also started to show an inflationary trend with rising fuel and grain costs. Consequently, gross margins were under pressure. However, as committed in Q1, we have been working consistently on our cost optimization initiatives, which have shown positive results, helping us protect our margins. Adjusted for subsidy, we have achieved a gross profit of Rs. 432 crore in Q2 FY27 and a margin of 41.8% compared to 42.1% in Q1 FY27. Excluding the impact of inflationary pressures, the margin would have been higher, closer to 44%.

EBITDA stood at Rs. 148 crore for Q2 FY27, clocking a growth of 146% year-on-year and a margin of 14.3%. Adjusted for subsidy, the EBITDA grew by 143% to Rs. 146 crore and a 14.1% margin on the combined business. Excluding the impact of inflationary pressures, the margin would have been approximately 16.5%. A&P reinvestment rates increased by 61 bps in Q2 FY27 versus Q1 FY27 on the back of strong ATL and BTL execution drives ahead of the festive season.

PAT adjusted for exceptional items and acquisition-related amortization stood at Rs. 68 crore for Q2 FY27, clocking a growth of 30% year-on-year and a margin of 6.6%. Adjusted for subsidy, the

PAT grew by 26% to reach Rs. 66 crore and a 6.4% margin on the combined business. Excluding the impact of inflationary pressures and subsidy, the margin would have been approximately 9%.

We have incurred an exceptional expense to the tune of Rs. 11 crore during Q2 FY27, predominantly on account of TSMA fees and integration related expenses.

As on 30th September 2026, our gross debt stood at Rs. 2,202 crore and net debt stood at Rs. 2,074 crore. There is a slight reduction in net debt levels as compared to June 2026. I want to reassure you that our target is to take the net debt in March 2027 to below March 2026 levels.

I wanted to reiterate that our focus going forward will be divided into 4 parts:

1. Continue our journey to generate and fulfil demand for our brands to deliver double-digit volume growth over a 2–3-year period
2. Optimize packaging, processes and supply chain and reap benefits of operating leverage and economies of scale helping us achieve an EBITDA margin of 16%-18% on combined business
3. Focus on efficient capital deployment, disciplined debt management and working capital investments facilitating the reduction of Net Debt to EBITDA below 1.0x by FY29.
4. Ride on the Pan-India distribution strength of Imperial Blue and Mansion House franchises to expand the TI's luxury and premium portfolio including strategic investment brands

We have consistently focused on our brand communications and have made impactful strides during the current quarter. On the proud occasion of Independence Day, we had 2 great outcomes. Firstly, Mansion House Brandy and Monarch Legacy Edition Brandy were showcased in Times Square, New York City for 72 hours with 2,500+ plays and 1.2 million+ visitors. Secondly, TI launched its first ATL campaign for Imperial Blue Packaged Drinking Water under “Because, Men Will Be Men” which continues with a central theme of humour. We have been continuing our strong execution on the BTL front with special packs across key markets ahead of the festive season.

The overall policy and regulatory environment continued to see encouraging developments in Q2 FY27. Karnataka, on the back of the recent progressive excise policy reforms, has witnessed strong growth in the Prestige & Above category with significant benefits for both Imperial Blue Whisky and Mansion House Brandy. Additionally, Mansion House Brandy emerged as the highest selling brandy in Karnataka in the month of September 2026. During Q2, Imperial Blue Whisky recorded its highest ever quarterly volumes in the state with market shares crossing 40%, a massive 900 bps increase on a quarter-on-quarter basis.

Further, there are early signals of reform in Tamil Nadu, the largest brandy market in India. Mansion House Reserve Brandy has seen 25%+ quarter-on-quarter volume growth with 50% year-on-year volume growth in September 2026, emerging as the highest volume month ever. We are very confident that TI, the largest P&A brandy player in India will be one of the biggest beneficiaries of any reform, which takes place in Tamil Nadu.

Lastly, I wanted to update you on the super-premium and luxury side of the business, housed within "House of TI". During the quarter, we have made a strategic investment in Black Tiger distilleries, the makers of Bodega Suprema No. 5, a 100% Blue Weber Agave Tequila. We have also expanded the presence of our luxury brands, Monarch Legacy Edition Brandy, Seven Islands Pure Malt Whisky and Samsara Gin owned by Spaceman Spirits Lab (SSL) in Assam during the quarter. We are extremely optimistic on our luxury play, both organic and through our strategic investments.

I will now hand over to Ameya to take you through our investment in Bodega, integration of Imperial Blue and provide guidance on the future performance.

**Ameya Deshpande:** Thank you, and a very warm welcome to everyone joining us today.

During Q2 FY27, we made a strategic investment in Black Tiger Distilleries, the makers of Bodega Suprema No. 5, a 100% Blue Weber Agave Tequila, bottled in Jalisco, Mexico. We are very excited about our maiden foray into tequila, a category growing at 60% CAGR over the last 5 years. Bodega is plugging the gap at an accessible luxury price point. It is already available in 4 markets - Maharashtra, Karnataka, Goa and Delhi. We have agreed to invest Rs. 22 crore for a 30% stake in the company, over 2 tranches - Rs. 6 crore, which has already been invested and, another Rs. 16 crore will be invested in the next 12 months. This investment also includes a strategic partnership with PFA, a Mexico-based, family-owned tequila manufacturer and Mansha Group, one of India's leading Alcobev distributors.

Our strategic investment approach continues to be opportunity-led and disciplined, with capital allocation based on the strategic attractiveness of an opportunity and long-term profitability in mind. We look at brands and businesses with strong consumer propositions, differentiated liquid, attractive growth potential and the ability to scale through our distribution and operating platform. Our goal is to build a stronger, more diversified and increasingly premium focus spirits company.

On the IB integration front, I am happy to inform you that the states which transitioned out of TSMA under TI operations have been stabilized, marking another step towards successful integration. The last remaining state will also be transitioned towards end of FY27. As a result, exceptional costs relating to the transition has significantly reduced during Q2 FY27 and will continue at the same levels over the next 2 quarters.

I would now like to provide some guidance on the combined business going forward. We maintain our guidance for FY27 of achieving a high single-digit to low double-digit volume growth for the combined business. And beyond FY27, including new launches planned for FY28 onwards, we maintain our volume growth guidance of mid-teens and revenue guidance of mid-to-high teens over the next couple of years.

In terms of margins, we expect the consolidated EBITDA margins to reach 16%-18% for the combined business by FY29 with upward bias on the range. While the margins in H1 FY27 have been under

pressure, we are confident that we will be able to deliver the margin expansion on the back of our premiumization journey, cost optimization initiatives, supply chain efficiencies and operating leverage.

As guided in the past as well, we expect the Net Debt-to-EBITDA ratio going below 1.0x by March 2029.

With that, I would now request the operator to open the call for Q&A.

**Moderator:** Thank you very much, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Abneesh Roy from Nuvama. Please go ahead.

**Abneesh Roy:** Yes, thanks. My first question is a bit structural. One is on the overall sector. If I see the White Spirits is growing much faster, numbers for Radico, United Spirits - Smirnoff, speak for themselves, extremely explosive growth. So, in your core markets of South India, for example, for your legacy brands, I am sure, again, there, the White Spirit growth will be much faster than the Brown Spirit. If you could comment how much is the market growth in your calculation in the 4 core markets for the White Spirits versus your business?

Second quick question on the industry is, you mentioned some initial reforms in Tamil Nadu have started, and you mentioned some numbers, which look very good QoQ and YoY. If you could confirm those numbers? And is it for Tamil Nadu? That is the first question.

**Amit Dahanukar:** Abneesh, for White Spirits, the major markets has largely been UP, Maharashtra and Rajasthan. White Spirits as a category is not very large in the South India where we are operating. But nevertheless, it has been growing over there itself, but the large markets are the ones which I had specified. And coming to your second question in terms of the regulatory changes in Tamil Nadu, yes, certain ordering changes have been made, which have affected us positively, in terms of orders being received on depletion. So, some changes at ground levels have been made, which has helped us increase our tertiary sales from the outlets.

**Abneesh Roy:** And can you repeat those numbers? Those numbers are for Tamil Nadu, right?

**Ameya Deshpande:** Yes. That is for Tamil Nadu. So, this is for Mansion House Reserve Brandy, which grew at 25% on a quarter-on-quarter basis and 50% on a year-on-year basis in September-26.

**Abneesh Roy:** And just some calculation or some numbers you have in mind that if reasonable reforms happen; sector reforms can be very different and very difficult to crystallize it. But based on current volumes in Tamil Nadu, how much can be realistic, in the next 2-3 years, because 2-3 years, I am sure reforms will 100% happen, there is no doubt. But assuming slightly basic reforms, what kind of volumes you can expect in 2-3 years, Tamil Nadu?

**Amit Dahanukar:** Abneesh, again, as you have correctly pointed out, it's difficult to have a crystal ball in terms of how regulatory changes will pan out. I would just go on to mention that at our peak in Tamil Nadu, we sold around 3 million cases of Prestige & Above brandy, mainly Mansion House.

**Abneesh Roy:** And what is the current ARR from Q2?

**Ameya Deshpande:** Currently, you are looking at less than 0.5 million.

**Abneesh Roy:** Understood.

**Moderator:** Thank you. We will take the next question from the line of Sanjay Manyal from DAM Capital. Please go ahead.

**Sanjay Manyal:** Hi, sir. Sir, just on this Imperial Blue part, I think your run rate was around 2 million cases in May and June. And this seems to be sort of not at the same run rate in the Q2. How do we see Imperial Blue for the full year, means if I just see that run rate of 2 million per month, ideally, we should have been closer to 24 million cases. Do you think that number can be achievable?

**Ameya Deshpande:** Sanjay, the thing is that while we did do 2 million cases in May and June, we are very close to those numbers even in Q2, and there is a good level of seasonality that comes in Q2 with loads of festivals in the north of India, where drinking is not that prevalent at that point in time. So, from that perspective, we still stick to our earlier guidance that we had provided of double-digit growth in IB business for the entire year of FY27. We do not see any risk on that number.

**Sanjay Manyal:** Okay. And maybe if you can give some sort of colour on the fact that if you have launched some of your existing earlier brands or the premium brands in the territory where Imperial Blue was strong or what kind of benefit you have already got from the large distribution network you have built after the acquisition?

**Amit Dahanukar:** So, it is early days. I think one introduction, which we did was of Madira Rum in Uttarakhand on the back of the Imperial Blue distribution. And in Q3 and Q4 we will roll out our luxury portfolio from House of TI in many of the northern states where Imperial Blue is widely distributed.

**Sanjay Manyal:** Okay. And maybe just last one on the ENA part. You mentioned the ENA has been inflationary. What do you think lies ahead? Currently from the ethanol blending perspective, I think the current year has been pretty bad because of the lower sugarcane production as well as lower maize production as well. So how do you think the ENA probably would be impacted by that? Can this be like a very extended period of high inflation in ENA?

**Amit Dahanukar:** So, difficult to say long term in terms of what the trends could be, but ENA prices in Q1 and Q2 was subdued, but the exit rates now have significantly increased, and we have seen the grain prices as well harden. We expect that ENA would be on elevated side in the near term.

**Moderator:** Thank you. We will take the next question from Manan Lahoti from Jefferies. Please go ahead.

**Manan Lahoti:** I have just one question. Could you just quantify the impact of raw material inflation or West Asia crisis and how much has the impact been on gross margins?

**Ameya Deshpande:** See, it has been around 2.5%. The way we are looking at this is pre-West Asia crisis. So, compared to Q4, the kind of impact that you are looking at is more like 2.5%. On a net basis, you can consider around Rs. 25 crore on a quarterly basis in Q1 as well as Q2.

**Moderator:** Thank you. The next question is from the line of Mehul Desai from JM Financial. Please go ahead.

**Mehul Desai:** My first question is on the brandy side. You did allude to primary versus secondary gap in IB, what is the reason for primary versus secondary gap in brandy and this gap should reduce or go away from second half? And also, if you can talk about how things are shaping up competitively in brandy, especially in AP, Telangana and Karnataka, in your key markets, given that there are a lot of competitors. Radico is talking about brandy, ABD certainly talked about brandy in the last 1 or 2 quarters. And we have seen United Spirits now also talking about brandy and bringing it into the P&A segment. So, how are you looking at your brandy segment growth? And if you can just explain this primary versus secondary gap in the brandy?

**Ameya Deshpande:** See, the thing is that we do expect that over the course of an entire year, the primary and secondary converge into each other. A lot of it also has to do with the fact that it depends on the shipments or the dispatches, which are happening towards the latter part of the quarter as well, which may impact your Ind AS reported primary versus the actual secondary that has taken place. So, it is predominantly on account of that. But, like I mentioned, do expect convergence over the course of the entire year.

Now with regards to the brandy business or rather the brandy industry down south, as we have already mentioned, we have seen significant increase in market share in Karnataka. So, Karnataka has been a big lighthouse market for us when it comes to Brandy as well as Imperial Blue. In terms of Telangana and Andhra Pradesh, we are already at a pretty massive scale in both these states. So, from that perspective, we have been able to retain market share or rather we are enjoying similar market shares as what we used to do.

But I think just one thing that I do want to bring out over here is that, yes, there have been new players which have come in Andhra Pradesh and Telangana, but they have been more on the popular and below side. So, at our relevant price points, to be very frank, we are still maintaining market share.

**Mehul Desai:** Got it. Okay. And Ameya, the question was because since your guidance for the volume growth for the combined business for FY27 is high single to low double-digit growth, I understand IB, you will be comfortably reaching a low double-digit number, ex of IB business, you are still confident of, because that ex of IB business also has to do high single-digit kind of number for your full year guidance to reach there. So, you are confident on that part?

**Ameya Deshpande:** Mehul, we are looking at mid to high single-digit kind of growth on the existing business. So frankly, we are fairly confident. On the lower end of guidance, there is absolutely no doubt of higher single-digit growth. There are a few things that we are working on, which could potentially help us achieve the upper end of the guidance as well.

**Mehul Desai:** Second question is especially on the gross and EBITDA margin, from a second half perspective, I think you mentioned that you expect margin expansion. Are you saying you will expand from first half margins, or you are seeing it from a YoY basis? So just clarification on that. And also, on UK FTA-related noise, which is happening and what is the initial comment that you have?

**Ameya Deshpande:** Sure. So, on the guidance bit when we say that we expect expansion, we are referring to against H1 of FY26. So, essentially on account of operating leverage as well as certain other state mix changes and all, we do expect margins to expand. Obviously, this is under the assumption that there is no significant further inflationary pressures that come in. While smaller inflationary pressures are something that we will cover through cost optimization initiatives, but anything large, the way we saw towards the latter part of Q4 or beginning of Q1, obviously, could potentially impact margins for FY27. The reason I say that is because FY28 onwards, we will have further launches that will come in at more premium price points. We are fairly confident of expanding margins going forward FY28 onwards on a year-on-year basis as well.

**Mehul Desai:** Yes.

**Ameya Deshpande:** On the UK FTA bit, right?

**Mehul Desai:** Yes.

**Ameya Deshpande:** Mehul, we have already made the requisite disclosure to the stock exchanges regarding this matter. And since Imperial Blue became a part of Tilaknagar Industries in December 2025, we have consistently classified our scotch imports under the same HSN code that we are billing even today. But having said that, we are working with the industry bodies as well as the relevant government authorities to get an early resolution. And we will provide you any further visibility or clarity on that once we have the same.

**Mehul Desai:** Sure. And last, if you can update on Samsara's performance in the first half.

**Ameya Deshpande:** Samsara has grown by 50% in the first half compared to last year. It is important to note that SSL's business is largely skewed towards H2 compared to H1, with H1 contributing approximately 35% of the overall yearly business, compared to 65% in H2.

**Moderator:** Thank you. The next question is from the line of Karan Kamdar from Choice Institutional Equities. Please go ahead.

**Karan Kamdar:** Good morning. Thank you for the opportunity. I wanted to know what is our pricing strategy across the states? And how do we see escalations rolling in quarter-on-quarter? And how long would it take to sort of have an effective price increase to combat inflation at least?

**Amit Dahanukar:** So, many of the Eastern states, we have already taken a price increase, like in the Northeast states of Assam & Meghalaya. I think we are underway in Arunachal Pradesh as well. The South states are something which we are discussing actively with the governments. In two of the large states, Telangana and Andhra Paresh, we are discussing with the government for a price increase. So, it would take some time before the inflation is passed on to the consumer.

**Karan Kamdar:** So, any timeline on that like a year or 2 quarters or 1 quarter, what do you expect when you sort of see the margins normalizing?

**Ameya Deshpande:** I think it is very difficult to actually guide towards at what intervals will we see these kind of price hikes. But the underlying assumption over here is that given the fact that we have a pan-India play across 28+ markets; what does happen is that you would expect a price increase in at least a couple of states every year. So that is where the entire price mix guidance of 200-odd basis points comes from. But it is very difficult to guide you in terms of which states will undergo a price increase and when.

**Karan Kamdar:** Got it. And my second question is that you say there was inflationary pressures. Also, there was a lower subsidy this quarter. Could you give some breakdown in terms of what are the impact of the subsidy and what was the impact of inflationary pressure on the consolidated profits? And what kind of subsidies are we expecting?

**Ameya Deshpande**: So, I think let me take the last one first, because we cannot be guiding on what are the subsidies that we would be expecting. We have never guided that, and it is difficult for us to do that. So, we will leave it at that. In terms of the subsidy, if you look at Q1, we received a subsidy income of around Rs. 20 crore for the quarter. In Q2, we received around Rs. 2 crore for the quarter. And whenever we talk about EBITDA margins, we talk about adjusted EBITDA margins. In any case the impact on adjusted EBITDA margins is independent of our subsidy levels. So, the entire impact of 250 basis points that we have or Rs. 25 crore that we have spoken about is a net inflationary impact, keeping subsidy asset.

**Moderator:** Thank you. The next question is from the line of Nitin Gupta from HDFC Securities. Please go ahead.

**Nitin Gupta:** Hi, thanks for taking my question. My first question pertains to would you be able to quantify the benefit we are getting from UK FTA. And also, just wanted to check on the benefit we have baked in 16%-18% guidance for FY29?

**Ameya Deshpande:** So, with respect to UK FTA, the kind of benefits that we have taken as a part of the upper end of the margin guidance of 18% is approximately 100 basis points on a consolidated basis on a full year perspective.

**Nitin Gupta:** Sure. And for the Q2, would you be able to sort of give some insights around like how much of the benefit we have got. This will help us understand the gross margin a bit?

**Ameya Deshpande:** Yes, there are no benefits on account of UK FTA in Q2 because we are sitting with stock with inventory.

**Nitin Gupta:** And are we going to get the benefit from Q3?

**Ameya Deshpande:** No, like I mentioned, Nitin, in the earlier question that one of your colleagues asked with regards to the existing situation, I will not add anything more beyond that.

**Nitin Gupta:** Okay, sure. And lastly, my second question is pertaining to your gross margin. Would you be able to highlight the measures we are taking to improve gross margin or to negate the ENA inflation?

**Ameya Deshpande:** Yes. So, like we have done over the past 2 quarters, to negate this inflationary impact, there is a lot of work that has been done on the supply chain optimization front, be it in the form of increasing the market bottle utilization rates and all of that. So frankly, we will continue working on the cost optimization initiatives and are hopeful of mitigating any further pressures as well on the back of these optimizations.

**Nitin Gupta:** Will it be different from the industry in terms of the optimizing measures we are taking or would be in the similar lines, how the industry is progressed?

**Ameya Deshpande:** So, see, to some extent, there is a slight difference for the simple reason that we are working with a new brand in the form of Imperial Blue. And we are working at multiple operational levels on that front. So, you will see some level of difference between the way we are working and the industry is working, also on account of the fact that the peers that you are referring to have some level of backward integration in their business, while we do not. So, our optimization efforts or our efforts to protect margins are slightly different in some parts.

**Nitin Gupta:** Understood. This is really helpful. Thanks a lot and all the best.

**Moderator:** Thank you. The next question is from the line of Mudit Daga from Merlin Holdings Private Limited. Please go ahead.

**Mudit Daga:** Hi. Thank you for taking my question. So, our operating cash flow for the half year was negative due to increase in inventory and receivables. So, what is our inventory and receivable days now as against March 2026 on a gross sales basis. And what will be the normalized range? And when could we reach there?

**Ameya Deshpande:** Compared to March 2026, the number of days has increased slightly by around 5-odd days, but then what one needs to consider in this entire thing is that the Telangana is working on a 6-month overdue cycle. By March, I only had 4 months of Imperial Blue overdue sitting within the books. We had acquired Imperial Blue business on a zero receivable zero payable basis. So, I do not think it is a like-to-like comparison that we would be making. As it stands today, you are looking at an annualized net working capital days on gross basis at around 65 days. This obviously is taking into account the overdues of Telangana of around Rs. 550 crore as well. In terms of going forward, excluding the benefit of potentially getting the overdues over the next 12-24 months, you should be looking at similar levels from a net working capital days perspective.

**Moderator:** Thank you. The next question is from the line of Heer Gogri from Choice Institutional Equities. Please go ahead.

**Heer Gogri:** Hello. Thank you for the opportunity. I wanted to ask, following the investment in Bodega, what is the company's road map for entering and scaling up the tequila portfolio?

**Ameya Deshpande:** Currently our first state is Maharashtra, and the stock has just been dispatched to the other 3 states that I mentioned in my opening remarks. So, it is still pretty early days, but the retention ratios are pretty impressive in terms of repeat ordering from the customers. So, from that perspective, I think the business is expected to do well. I think it is a pretty interesting sweet price point as well, from the perspective of it being a 100% Blue Weber Agave. There is no other significant brand at that affordable luxury price point in this liquid profile as such. We have some high expectations, and we are fairly confident that we should be able to drive a very strong tequila business out of India.

**Heer Gogri:** Okay. And one more question. What is the outlook for exceptional integration cost, the acquisition-related costs over the next quarter in ballpark number? And would we be seeing this in FY28 as well?

**Ameya Deshpande:** No, we will not be seeing any TSMA fees in FY28. And you should be expecting over the next 2 quarters around Rs. 10 crore - Rs. 11 crore on a quarterly basis. So similar levels what you have seen in Q2, in Q3 and Q4 as well.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as a last question for today. I will now hand the conference over to the management for closing remarks. Thank you, and over to you, sir.

**Amit Dahanukar:** Q2 FY27 has been a quarter of continued progress for TI with encouraging momentum across our brands and ongoing progress on the integration of Imperial Blue into our business. As we look ahead, our focus remains on executing our strategic priorities, strengthening our market position, expanding our Pan-India presence and accelerating our premiumization journey.

We believe our portfolio, distribution reach and clear strategic direction positions us well to capitalize on the opportunities ahead. Thank you for your continued interest and support. We look forward to updating you on our progress in the coming quarters as we continue to build TI into a leading pan-India premium-focused Alcobev company.

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