



**FRATELLI**  
• VINEYARDS •

Date: June 04, 2026

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

**Scrip Code: 541741**

**Subject : Transcript of investors and earnings call held on Tuesday, June 02, 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 Tuesday, June 02, 2026 on the Audited Financial Results and operational performance of Fratelli Vineyards Limited for the fourth quarter and financial year ended on March 31, 2026 (Q4/FY 2025-26).

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]**

**MONIKA**  
Digitally signed  
by MONIKA  
GUPTA  
**GUPTA**  
Date: 2026.06.04  
21:19:23 +05'30'  
**Monika Gupta**  
**Company Secretary**  
**FCS 8015**

**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  
Q4 FY '26 Earnings Conference Call”

June 02, 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:** **MR. ADIT V – GO INDIA ADVISORS**

**Moderator:** Ladies and gentlemen, good day, and welcome to Fratelli Vineyards Limited Q4 FY '26 Earnings Conference Call 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 the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

Please note that this conference is being recorded. I now hand the conference over to Mr. Aadit V from Go India Advisors. Thank you, and over to you, sir.

**Aadit V:** Thank you, Rutuja. Good afternoon, everyone. It's my pleasure to welcome you on behalf of Fratelli Vineyards Limited. Thank you for joining us today for Q4 and FY26 earnings call. We have on 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.

Please note that today's call discussion may include certain forward-looking statements and must therefore be viewed in conjunction with the risks that the company faces. I would now like to hand it over to the management for opening remarks. Thank you, and over to you, sir.

**Gaurav Sekhri:** Good afternoon. I'm Gaurav Sekhri here. Am I audible?

**Moderator:** Yes, sir, you are. Please go ahead.

**Gaurav Sekhri:** Thank you. Hello, everyone, and a warm welcome to the Q4 and FY '26 earnings conference call of Fratelli Vineyards Limited. I hope everyone has had the opportunity to go through the financial results and investor presentation made available on the exchanges. I am pleased to share that we closed FY '26 on a strong note with a growth of 13% year-on-year in quarter 4.

We achieved breakeven at the operating profit level, reporting a positive EBITDA of INR1.06 crores. This progress is largely attributable to our continued focus on cost discipline and prudent execution across the business. For the full year FY '26, revenue remained largely flat owing to regulatory disruptions in key markets such as Maharashtra and Telangana, as well as excise policy changes introduced during the first half of FY '26.

Encouragingly, market conditions began to normalize during the second half of the year, and we witnessed a meaningful pickup in sales. This improvement was reflected in our Q4 FY '26 performance, where we grew 13% year-on-year. I will let Aditya to talk you through the financial performance in greater detail later in the call.

I would like to provide an update on the performance of our portfolio and business during FY '26. Fratelli has always taken pride in being one of India's most sought-after domestic wine manufacturers with a strong presence in the Premium & Above segments. Staying true to this strategy, our Premium & Above portfolio continued to contribute more than 70% of our overall revenue during FY '26.

Our luxury portfolio, which we define as wines greater than INR2,000 MRP, continued to perform well during the year, reinforcing our leadership position in this segment. Our sales in luxury category grew 15% year-on-year in FY '26, led by strong performance of our flagship brand, J'NOON, which grew at an enviable 44% during the year.

At the same time, Sette continued to strengthen its position as one of India's most loved luxury wine brands. A landmark collaboration between Fratelli Vineyards and celebrated fashion designer, Manish Malhotra, commemorated 15 years of Sette through a limited edition Collector's bottle.

Since its launch in January 2026, Sette 15th anniversary limited edition bottle has become available across 5 states. Going forward, we will target expansion into 7 more states in FY '27, including Delhi, Haryana, Uttar Pradesh, West Bengal, Tamil Nadu, Karnataka and Maharashtra. Within our premium portfolio, revenue declined 16% year-on-year, primarily due to regulatory disruptions across Maharashtra, Telangana, Uttarakhand and Delhi. This was partially offset by strong growth recorded in Haryana, UP, Kerala and Sikkim.

As part of our long-term premiumization strategy, we launched Fratelli Brut during FY '26, strengthening our position in the super premium sparkling wine category. Consumer acceptance has been very encouraging. And since its launch in November '25, the brand has established its presence across 4 states. During FY '27, it will be made available in 14 more states.

Within the alcobev industry, the strongest growth is visible in the RTD segment. We believe RTDs are a great fit to Fratelli's wine business and it presents us with a compelling opportunity to build a second growth driver for the company. In line with the strategy, we launched our RTD brand Shotgun during the first half of the year. The response has been extremely encouraging. In the very first year, the brand has sold approximately 100,000 cases and established its presence across 18 states, underlining the growing consumer acceptance of this category. We intend and are targeting to double sales of our RTD business in FY '27.

Our distribution footprint for the RTD category expanded to approximately 9,000 outlets across the country, including 2,000 new outlets were added during the year. We also continued to strengthen our presence across Tier 2 and Tier 3 cities. Looking ahead, we are targeting to launch Shotgun in Chhattisgarh, Karnataka, Telangana during H1 FY '27. I would like to reiterate that Fratelli is transitioning from being a company which has 2 growth drivers, 2 sales segments, the wine business, as well as the RTD business.

On the international front, we expanded our footprint to 15 countries across our bottled wine, canned wine and RTD portfolios. As a result of our growing international presence, we doubled our export revenue during FY '26. We expect 5% of total revenue to come from exports from FY '27 onwards.

The CSD channel continues to be an important part of our distribution strategy. During FY '26, our Merlot Wine and Noi Sparkling received CSD approvals with sales expected to commence

from H1 FY27 onwards. Shotgun is also expected to commence sales through the CSD from H2 FY27 onwards.

In addition, TiLT Red, TiLT Bubbly Rose, and Shiraz Rose already commenced sales through the CSD channel in Q4 of FY26, and this will continue to deliver sales in FY27 onwards. Looking ahead, we remain firmly aligned with our premiumization strategy and will continue introducing new offerings and varietals that have not previously been introduced in the Indian market.

To conclude, we are encouraged by the traction, we continue to see across our portfolio and remain confident of sustaining this momentum. The strategic initiatives that we have undertaken over the past few years have delivered good growth in our luxury segment. And very importantly, Fratelli has now created a new sales growth driver in the form of Shotgun, our RTD offering for discerning Indian consumers.

We remain committed to expanding our portfolio with innovative, high-quality wines that cater to diverse consumer tastes and occasions. As we enter FY27, we believe the building blocks for growth are firmly in place. The rapid expansion of our RTD business, continued strength in our luxury portfolio, wider distribution in domestic and international markets, increased CSD presence and upcoming product launches position us well for the year ahead.

With that, I would now like to hand over the call to Aditya, who will take us through the operating and financial highlights in more detail.

**Aditya Sekhri:**

Thank you, and good evening, everyone. Starting with the fourth quarter of FY26, we delivered an improvement in performance with net revenue from operations increasing to INR36 crores in Q4 FY26 from INR32 crores in Q4 FY25, representing a growth of approximately 13% year-on-year. The quarter benefited from strong traction in our bottles and RTD segments alongside improved market conditions across several key states.

From a market standpoint, we saw encouraging momentum across several regions. Telangana, which had a slow H1, delivered approximately 30% growth during the quarter as sales normalized following the renewal of retail licenses. Haryana, Uttar Pradesh and Kerala also reported strong growth, while our export business more than doubled compared to the same period last year. Overall, market conditions improved meaningfully during the quarter, contributing to stronger operating performance.

Gross profit for the quarter stood at INR29 crores, compared to INR23 crores in the corresponding period last year, while gross margins improved to 79% versus 73% in the same period. At the operating level, EBITDA loss reduced significantly to INR3.7 crores, compared to a loss of INR7 crores in Q4 FY25. The improvement was driven by tighter cost controls, better operating efficiencies and benefits of scale as revenues recovered during the quarter.

Moving to the full year performance. Net revenue from operations stood at INR184 crores in FY26 compared to INR181 crores in FY25, representing growth of approximately 1% year-on-year. While growth remained modest at the full year level, this needs to be viewed in the context of regulatory disruptions, witnessed across key markets such as Telangana and Maharashtra during the first half of the year, along with the excise policy changes in Uttarakhand.

Encouragingly, as these headwinds begin to ease, we witnessed a clear improvement in momentum during the second half, culminating in stronger fourth quarter. Gross margins remained healthy at 79% despite changes in product mix and also with the ongoing war.

Our focus remained on maintaining quality standards across the portfolio, particularly within our premium offerings, which helped support margin resilience throughout the year. EBITDA improved marginally to INR1 crores in FY26, reflecting the benefits of improved operational efficiencies.

Alongside our focus on profitability, we continue to invest towards our brands during the year through RTD launches, rebranding initiatives and strategic collaborations aimed at strengthening long-term brand equity and supporting future growth. Depreciation and finance costs were higher during FY26 due to the commissioning of new assets and borrowings undertaken for capacity expansion and working capital requirements.

During FY26, we completed approximately INR10 crores of capex across Vineyard infrastructure, plant and machinery and other operational infrastructure. These investments are undertaken with a view to strengthen our production capabilities, enhancing efficiencies and preparing the business for future growth opportunities as the domestic wine market continues to evolve.

With the completion of these investments, our major capex cycle is largely behind us. As a result, we do not anticipate any significant capex commitments in the near-term, and we expect the infrastructure created over the past few years to support growth requirements over the next 3 years.

For FY27, we have, however, earmarked approximately INR9 crores towards routine and strategic capex requirements. In addition, our hospitality project remains in the planning stage with an estimated investment of INR70 crores to INR80 crores. We will continue to evaluate this project in line with market opportunities and our long-term growth strategy.

Going forward, our focus remains on improving operating leverage, driving efficiencies across the business and maximizing returns from the investments made over the last few years. With regulatory conditions stabilizing and margins remaining resilient and newer growth drivers such as the RTD segment continuing to scale up, we believe Fratelli is well-positioned to capitalize on the industry tailwinds.

Thank you. And I would like to ask the moderator to open the floor for the question and answers.

- Moderator:** Thank you very much. We will now begin the question-answer session. The first question is from the line of Deepesh Sancheti from Maanya Finance. Please go ahead.
- Deepesh Sancheti:** Hi. Am I audible?
- Gaurav Sekhri:** Yes, you are.
- Moderator:** Yes, you are.
- Deepesh Sancheti:** Okay. Congratulations on getting the EBITDA profitability. But could you outline the road map for a PAT profitability and the key milestones which you'll require to achieve it?
- Aditya Sekhri:** Yes. So, our plan and our guidance for this financial year of FY27 is to deliver a growth of approximately 30%. With that in line, and as I mentioned, with the operating efficiencies coming into play, we believe PAT breakeven will be achieved.
- Deepesh Sancheti:** For FY27 as a whole, you're saying?
- Aditya Sekhri:** Yes.
- Deepesh Sancheti:** Okay. So how large is your addressable market opportunity for the ready-to-drink beverages and wine-in-a-can product in India is? And how do you see consumer adoption because you've introduced this product for quite some time. How do you see consumer adoption evolving over these years?
- Aditya Sekhri:** So the RTD market with respect to wine is approximately between INR500 crores to INR600 crores. It is one of the fastest-growing segments across any alcobev category at the moment with a growth of about 25% year-on-year. Therefore, we believe it's a category we believe in, and we will continue to invest in this category over the next few years.
- Deepesh Sancheti:** And how do you see competition coming in from the foreign winemakers especially when the FTA comes into place?
- Aditya Sekhri:** The RTD segment does not have any impact at all with the ongoing FTA. The RTD segment, which Fratelli is present in is approximately within the range of INR150 to INR200 with a very, very different TG as well. Therefore, the FTA has no impact on the RTD segment.
- Deepesh Sancheti:** Not only the RTD segment, but also the wine segment, I'm saying.
- Aditya Sekhri:** On the wine segment, more than 90% of our revenues are comprised of products which are less than INR2,000 MRP. The impact which will come will be on our wines or part of our portfolio, which is above INR2,000. However, as we see that the premiumization momentum continues to grow, in fact, our luxury and super premium brands have been growing the fastest. Brands like J'NOON for us have grown 40% plus even in the last year. Therefore, we don't anticipate much impact at all on our business on account of the ongoing FTAs.

- Deepesh Sancheti:** So what is the company's current market share in the premium and the luxury wine segment? And how do you plan to strengthen your positioning in this category?
- Aditya Sekhri:** So our market share currently is 30% on the premium side. If you just look at the luxury market share, then our market share is more than 50%.
- Deepesh Sancheti:** Market share is more than 50% in India?
- Aditya Sekhri:** Yes. In the domestic luxury wine market, Fratelli's market share is more than 50%.
- Deepesh Sancheti:** Do you have a number of the overall I mean, even when you count the international winemakers?
- Aditya Sekhri:** It's hard to quantify the exact number because we normally see our domestic market share, and that's more than 50%, but we can come back and give you the exact number in terms of the overall market size and how our market share is on the Luxury segment in terms of that.
- Deepesh Sancheti:** Okay. So, could you highlight the key product launches and portfolio innovation plan for FY27 as you are thinking that FY27 will be a breakeven year as PAT. Could you highlight these product launches in different categories?
- Aditya Sekhri:** So the RTD segment has contributed approximately 100,000 cases in year 1. Our plan is to double the RTD business in this current financial year, and the necessary investments have already been done in Q4 of last year to align the same. And that is one big growth engine for us going forward.
- on the RTD, we are also launching 3 new variants, which we will see in the market in quarter 1. On the bottles and on the premium side, we have a couple of products which we launched in Q4 of last year. However, they were only made available in a few states. As we go deeper into FY27, we will see those products being available in many more markets.
- Deepesh Sancheti:** So, how much did the RTD segment contribute to the sales?
- Aditya Sekhri:** The RTD segment was roughly about INR18 crores in our overall top line.
- Deepesh Sancheti:** Exactly. in your presentation, it was mentioned that it is aligning with the India's growing wine RTD of of INR500 crores. We expect this to go INR500 crores or it is already INR500 crores?
- Aditya Sekhri:** It is already INR500 crores, the market size.
- Deepesh Sancheti:** Market size. And so where do we want to take this over the next 3 years maybe?
- Gaurav Sekhri:** Hi. This is Gaurav Sekhri. I'm jumping in. On the RTD specifically, the market is over 1 million cases. And we, in year 1, have achieved 100,000 cases because there is good tailwind in this whole category. And our expectation is that in the year 2, which is FY27, we will double this business to cross 200,000 cases.

**Deepesh Sancheti:** Gaurav, actually, as an investor for all these years, I mean, I just want to understand where will the trajectory go up? And when will it actually seen in the numbers? Do you think FY27 will be that year?

**Gaurav Sekhri:** See FY27 as we mentioned, we are confident of achieving 30% growth over FY26. Here, RTD will contribute. The wine business also we expect some normal growth in this category to come back. Post-COVID, you are aware, we grew at 20%, 30% year-on-year and that slowed down in the last couple of years.

The most important step Fratelli has taken is to add a whole new growth driver to our business so that we are not just a wine business, but also have aligned ourselves with this new category in Alcobeve, which is the fastest growing. And it's a good fit for us because it is wine based. So we have the expertise, we have the infrastructure.

We have the distribution and the market is supportive of this category. That is why we have chosen this as an expansion path and 30% growth is expected this year. We think we will establish our brands further in FY '27, setting the path and the framework for very steady growth year-on-year after this. Every business reaches an inflection point. And I think Fratelli is getting there. And after that, many, many new opportunities open for the company.

**Deepesh Sancheti:** And how much capex would be required over these years to actually have this? And how much of the capex will actually go into the hospitality?

**Gaurav Sekhri:** So firstly, on capex, our expectation is our capex in FY27 will be between INR6 crores to INR10 crores. I don't see us spending any more than that in capex. And in regards to hospitality, we continue to believe it to be a good fit to our business. However, we have given priority to our RTD project and some other wine-related projects because at the heart and core, we are a wine business. We are not a hospitality company. So therefore, we have, for the time being, just deferred the hospitality plan by about a year and we will review it maybe in H2 this year and possibly take some definitive steps to action and initiate it in calendar year '27- '28.

**Deepesh Sancheti:** Just the last question from my side, with the country seeing possible deficit in rainfall because of the El Nino effect, do we see any kind of impact or as an opportunity that the price might increase of the products? Do we see anything of this kind?

**Gaurav Sekhri:** We are, as of now, comfortable with the way we have integrated the business backwards and forwards. We have our own vineyards, our vineyards have drip irrigation. So we are sitting comfortable as of now. I mean weather is in no one hands. If there is some extreme weather condition, then, of course, we will get impacted as well. But last year, the excessive rainfall we had, we dealt with it quite effectively. Of course, it had some impact on higher cost and better management for disease management. But I don't see current weather situation to be of any major concern. We will continue to watch it closely.

**Deepesh Sancheti:** I mean, in the anticipation of an El Nino effect, we are not preparing anything.

- Gaurav Sekhri:** So like I told you, the rainfall can either go up or it can go down. If it goes down, I mentioned that we have drip irrigation in our vineyards. We have the ability to provide water. The canals are full because of excessive rainfalls of last year. So, I don't see a challenge.
- Deepesh Sancheti:** Great. Thank you so much Gaurav and all the very best.
- Moderator:** Thank you. The next question is from the line of Chetan from Systematix Group. Please go ahead.
- Chetan:** Hi team. Thank you for the opportunity. Two questions. So first on our margins. Our gross margin has been healthy at around 78%, 79%. While on EBITDA, it is still lower than our target of around 20%. So I wanted to understand on which specific cost lines are you expecting any kind of savings, operating leverage to kick in to achieve that 20% or is it that the margin will be majorly driven by the scaling up of the hospitality business only?
- Gaurav Sekhri:** This is Gaurav Sekhri. So it is just a function of scale, Chetan. Our costs are now well established for growth of business by even if we double the business from current levels, we don't need to do any major change in our cost structure. So those efficiencies will kick in as the business grows. We are expecting 30% growth this year.
- So that operating leverage will kick in. That's point number one. Second, I don't see a connect of hospitality business making some major impact in bringing cost efficiency. Cost efficiency will come in increasing sales of our core business of wine and RTDs.
- Chetan:** Got it. And sir second question is on Shotgun. So it is present around 9,000 outlets and our distribution reach is around 30,000-plus outlets. So any bottlenecks you are seeing in scaling up this distribution or what is your target outlet reach for Shotgun going ahead?
- Aditya Sekhri:** So the overall universe we supply to is 30,000. That is also because of the bottles business being more than 15 years old, is available essentially in every state in the country. Shotgun has just had its first year in the market with naturally the registrations happening on a cyclical basis and not in one-go for all states. Therefore, we see this number ideally going above 15,000 by close to H2.
- Chetan:** Okay. Thank you, sir. Thank you so much. All the best.
- Moderator:** Thank you. The next question is from the line of Love Gupta from Counter Cyclical Investments. Please go ahead.
- Love Gupta:** Hello sir. Thank you for the opportunity. So firstly, I wanted to understand what is our market share on the HoReCa business?
- Aditya Sekhri:** Aditya here, our market share in the HoReCa business is close to 40%.

- Love Gupta:** And just to understand, you said you'll see some impact from the FTAs on the 2,000-plus luxury wine segment. So I'm assuming these are the higher-margin segments. So how does our margin trajectory look like factoring in these expectations?
- Aditya Sekhri:** The margin trajectory looks positive because our growth, in fact, in the super premium and the luxury segment have outpaced the growth in the premium segment. And the luxury and the super premium segment have even better gross margins. So if this momentum continues, which seems to happen even in Q1 of this year, the margin profile will remain fairly similar.
- Love Gupta:** All right, sir. And lastly, since we are trying to scale up our RTD segment, so what sort of marketing spends can we look at as a percentage of revenue for, say, the next couple of years?
- Aditya Sekhri:** So our guidance in terms of marketing spend overall for the business in a normal circumstance is usually 7% as a percentage of our top line. However, as Shotgun was launched last financial year, it was a little more than 10% in year 1. And we expect this year as well for Shotgun to be a little more than 10% of its overall top line because the base is big and we see a lot of potential in it. Therefore, the spends in the first 3 years are going to be on the higher side.
- Love Gupta:** And do we see any further increase as we initiate our hospitality business?
- Aditya Sekhri:** Yes, but it's hard to comment on that today.
- Love Gupta:** All right. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Marutinandan Sarda an Individual Investor. Please go ahead.
- Marutinandan Sarda:** Am I audible?
- Moderator:** Yes, you are. Please go ahead.
- Marutinandan Sarda:** Congratulations on a good set of numbers. My first question is regarding the gross margin. Right now, we are around 79%, 80% gross margin. So in future, do we see it going upwards or is there any scope we can bring it up, maybe by a couple of percentage points?
- Aditya Sekhri:** No, our range typically, how I see it in the next few years with the increase of the business of the RTD business where the gross margins are close to 70%, I believe our overall gross margins will be between 76% to 80%.
- Marutinandan Sarda:** Okay. Second question is on the breakeven point. So I just did a back-of-the-envelope calculation that if we do a top line of INR50 crores with 80% GP, then we'll be breaking even at the PAT level? Is that correct on a quarterly basis?
- Gaurav Sekhri:** Can you elaborate how you did the INR50 crores on what basis?

- Marutinandan Sarda:** I just did a reverse calculation that our fixed costs, including the opex depreciation, finance costs, we are coming to around INR40 crores. So, to get that INR40 crores at GP level, we need to do a top line of INR50 crores. I just did a reverse calculation.
- Gaurav Sekhri:** Again, I'm not clear. You said INR240 crores or INR40 crores?
- Marutinandan Sarda:** No. INR40 crores, INR40 crores, only INR40 crores.
- Gaurav Sekhri:** I'm not understanding your question. What I can try to answer it though. See, we achieve a net-net breakeven at around INR240 crores. And that is very much possible because we are at INR185 crores in this financial year, we have achieved an operating breakeven with INR1 crores EBITDA profit, so more or less breakeven. So add around INR240 crores is when we get to a net-net breakeven. I hope that answers your question.
- Marutinandan Sarda:** Yes, absolutely. So that we are targeting in FY27, right?
- Gaurav Sekhri:** That's correct.
- Marutinandan Sarda:** Yes. Perfect. Thanks. Thanks you for the clarification.
- Moderator:** Thank you. The next question is from the line of Reena Shah from Finstock Investments. Please go ahead.
- Reena Shah:** Am I audible?
- Gaurav Sekhri:** Yes, you are.
- Reena Shah:** Yes. So actually, it was highlighted that we have seen some healthy traction in the value segment and RTD categories. However, our reported revenue growth during FY26 were relatively modest. So if you could provide some colour on volume growth across premium, luxury, popular and RTD segments and also help us understand whether pricing or product mix or regulatory issues were at play or any other factors which had impacted revenue growth for the fiscal year?
- Aditya Sekhri:** So, for FY26, a large part of, the modest growth was led due to the regulatory disruptions, which happened in H1 of the year. And even at a whole year level, our Premium segment, which contributes more than 40% of our revenue had a decline of roughly 15%, as I said, because of the H1 disruptions which were there. They were resolved in H2, and that momentum of it being resolved continues in Q1 as well of this year.
- Reena Shah:** And like what are the major priorities and growth initiative for FY27, how the next fiscal is going to be for us?
- Aditya Sekhri:** This fiscal year for us is, again, to further double down on the luxury and the super-premium category. We are growing much faster in that segment with very healthy gross margins. So that

premiumization drive continues for us. We have just launched the Fratelli Brut as well, which is a very, very good offering at INR1,500 in the Sparkling segment.

Further than this, we also have the RTD segment, like I mentioned, where we've launched 3 new flavors, and we're expecting the business to double in this financial year as well. So, most of these aspects also along with the exports being a driver despite being small, should give us the revenue growth, which we are targeting this year.

**Reena Shah:** And just one thing that when do we see a breakeven at our bottom line? Like do we have any plans? And how is it like, which segment will be contributing? Or it will be more of exports that will help us? any plans or when do we see profitability breakeven?

**Gaurav Sekhri:** Gaurav Sekhri here, ma'am. As mentioned earlier, that we are expecting 30% growth this year. You will, I hope, begin to see this growth even from Q1 onwards, compared to previous year. At 30% growth from previous year, we get to approximately INR240 crores of revenue. And at that INR240 crores of revenue, we get to a net-net breakeven, not just a cash breakeven, but a net-net breakeven.

**Reena Shah:** Okay. Thanks.

**Moderator:** The next question is from the line of Wing Commander DVM Teja, Indian Air Force. Please go ahead.

**DVM Teja:** Jai Hind to the management and congratulations for the good set of numbers. I have seen in the presentation that there is certain meaningful top line 8% growth in the CSD channel.

So, you are planning to roll out certain other brands like Shotgun, Merlot, NOI in the next financial year. My question is, what is your expectation from the CSD channel to the total contribution or the revenue once it is being rolled out?

**Aditya Sekhri:** So, our market share in CSD is approximately 45%, and has been one of the strongest growth engines for the company post-COVID. This year, with the introduction of the Wine-in-a-Can segment, we will see further traction. In the Wine-in-a-Can segment, even in the civil markets, we are market leaders and have approximately more than 90% market share in the Wine-in-a-Can segment in India.

CSD will become another great growth driver for us. Also, additionally, we have a few more brands like NOI, which is one of India's most preferred choices in the Sparkling segment around INR1,000 and Shotgun, which will probably come in CSD only in Q4.

So, I think with the portfolio which we will have by the end of this FY, CSD will become a very, very strong contributor to our business. It already contributes about 8% of our overall revenues, and I see this number only growing going forward.

- DVM Teja:** If I may ask another question, I have another question related to the India EU Free Trade Agreement that recently happened when the Prime Minister visited the Nordic country. So, would you see any structural shift and better profitability due to the advantage of free trade agreements?
- Gaurav Sekhri:** Again, the implementation of it, we will have to see over the next 1 year, how it plays out. As of now, I don't see any major impact either in terms of pricing or in terms of volume in the foreseeable future. But in the coming quarters, we'll be able to update you a lot more. And thank you for your service to the country. We appreciate you.
- DVM Teja:** Thank you. Best wishes to you all. Thank you.
- Moderator:** The next question is from the line of Ishita Mitra an Individual Investor. Please go ahead.
- Ishita Mitra:** Hi, team. Thanks for giving me this opportunity. So, I just wanted to understand what trends are you witnessing in terms of discounting and pricing environment and price hikes across the industry?
- Gaurav Sekhri:** This is Gaurav Sekhri. Firstly, on discounting, etcetera, we have seen as a company, a very disciplined approach to this. Our schemes and discounts, as we call them, have remained fairly consistent year-on-year over the last 2 to 3 years. In fact, now we are making a strong initiative to see how we can bring it down. It has not gone up over the last 2 to 3 years, showing strength in brand love and our distribution ability.
- In regards to distribution, we are very, very strongly focused on data analytics, and we continue to identify gaps and opportunities where we need to do more work. And accordingly, we make our quarterly targets, monthly reviews happen to ensure that our availability, there is no gaps in it.
- Ishita Mitra:** Okay, got it. Can you also share a team size of sales and marketing of our product? I mean how are we planning to gain acceptance in Tier 2 and Tier 3 cities?
- Gaurav Sekhri:** Again, we take pride in the fact that we have probably one of the larger teams on the ground for our size business, maybe even the largest. We are close to 200 people directly involved in sales as well as marketing. I must also share that we are using Salesforce, which is one of the top programs, top apps and systems that can be deployed. So, we are using that very effectively to bring efficiencies of market penetration and cost control.
- Ishita Mitra:** Okay INR200. And your employee benefit expenses have also been around INR35 crores to INR36 crores and your other expenses of approximately INR85 crores, INR86 crores, they remain a significant part of your cost structure.
- So, can you please throw some light on this? Like can you please make us understand the components driving these expenses, whether the expenses are targeted sales, distribution, marketing? Can you throw some light on this?

- Gaurav Sekhri:** Ma'am, many of the things we consider sensitive. So, we will not go into too much detail on a call like this. What I can share with you is that, our cost structure is now more or less geared up for even doubling the business from today. So that is why, we have mentioned earlier that our business has reached an inflection point, where from here, we will see very direct benefits as we see scale. It should translate into better bottom line.
- Ishita Mitra:** Okay, got it. Thanks a lot.
- Moderator:** The next question is from the line of Preeti Shah, an Individual Investor. Please go ahead.
- Preeti Shah:** Hello. Hi, team. I had two questions. First is you have outlined a long-term aspiration of reaching around INR500 crores of revenue by 2030 and growth at 20% CAGR. But could you elaborate on the key growth drivers that will support this target because considering the current growth rate, I mean, is it achievable?
- Gaurav Sekhri:** Our growth drivers are our focus on premiumization, our new product innovation and launches, RTD segment, which is a whole new category, that we have now entered and begun catering to, and made a substantial mark in it already in year 1 and increasing the width of our distribution. So, this is what will drive growth for us.
- Preeti Shah:** I have second question. To support the company's revenue aspirations in these 3 to 4 years, what level of capex and expansion investment should we expect? And how do you plan to finance these investments? And any plans to raise external capital or increase leverage? Or will this growth will be largely funded through internal cash generation?
- Gaurav Sekhri:** So, ma'am, firstly, other than the hospitality project, which we will probably begin taking up only in the next financial year, we don't see any major capex need. But if the company does require and sees a compelling opportunity being a listed entity, we have many tools available to us, which we will explore at that point of time.
- Preeti Shah:** Got it. Thank you.
- Moderator:** As there are no further questions from the participants, with that, I now hand the conference over to management for closing comments.
- Gaurav Sekhri:** Thank you very much. On behalf of everyone at Fratelli Vineyards, I would like to thank all of you for joining us today and for the interest in our company. We sincerely appreciate your continued interest and engagement with us, especially to the participants in today's call. We wish you a wonderful evening and look forward to more interactions.
- Moderator:** Thank you very much. On behalf of Go India Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.