Tilaknagar Inds

30 May 2026

Operator: Good day and welcome to Tilaknagar Industries Limited Q4 and FY26 earnings conference call. 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 call is being recorded. I now hand the conference over to Mr. Siddharth Rangnekar from CDR India. Thank you and over to you, sir.

Management: Thank you. Good morning everyone and thank you for joining us on Tilaknagar Industries Limited Q4 and FY26 earnings conference call. We are joined today by Chairman and Managing Director, Mr. Amit Dahanukar; Strategy Officer, Mr. Ameya Deshpande; Chief Financial Officer of the company, Mr. Rajesh Chaudhary; and General Manager, Growth and Innovation, Ms. Sanaya Dahanukar.

We shall commence with views from Mr. Dahanukar on the performance and financial highlights, followed by a brief commentary from Mr. Deshpande on the strategy going ahead. This shall 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.

Management: Good morning everyone. Happy to have you all join us on this earnings call to discuss our Q4 FY26 and full year FY26 results. This is the first full quarter where we will report on the performance of the Imperial Blue business division. I will provide an update on the current quarter's performance, which will be followed by Ameya taking you through the integration of Imperial Blue.

Before I begin with the quarterly performance, there are two achievements I wanted to highlight. One, we achieved a volume of almost 20 million cases in FY26 with only 4 months of Imperial Blue business under our ownership. Second, Mansion House Brandy crossed the volume benchmark of 10 million cases in FY26, cementing its position as India's largest P&A brandy.

In FY26, our overall volumes increased by 68%. Ex-IB, our volumes increased by 14% to reach 13.6 million cases in sales. During Q4, our overall volumes increased by 135% on a year-on-year basis, crossing 8 million cases of which IB was 4.6 million cases. Ex-Maharashtra, IB recorded a growth of around 9% versus Q4 FY25. With this impressive performance, Tilaknagar Industries continues to be the largest P&A IMFL player in Southern India with a market share of close to 40% in Q4 FY26.

On the policy front, we have seen one of the largest states witnessing a progressive change in excise policy, which has reduced the consumer price of our two flagship brands, Imperial Blue whisky and Mansion House Brandy by Rs. 20 per nip. Basis what we saw in FY25 with price reductions, we are expecting further growth in the state.

Before I start on the financial performance, I want to touch upon the recent change in presentation disclosure with respect to revenue recognition. Before the acquisition of the Imperial Blue business, we used to present the selling expenses such as discounts, schemes, and similar incentives to customers and distributors under the head of other expenses. However, from Q4 FY26 and going forward, we will show this as a reduction from the gross revenue itself. As the business has now expanded significantly into non-corporation markets as well, management has now taken the view to update the presentation disclosure in line with future prospects and better comparability with peers. This change will have a negative impact on reported revenue and gross margins, but will have a positive impact on EBITDA margins and PAT margins. There will be no impact on absolute EBITDA, PAT, or reported EPS.

Now moving over to financial performance, the overall NSR increased by 5.4% to 1,177 per case for Q4 FY26 from 1,116 per case in Q4 FY25. On an ex-IB basis, the NSR increased by 2.6% in Q4 FY26. For the year ended March 31, the NSR stood at 1,165 per case. We witnessed a strong growth of 148% year-on-year basis to reach a net revenue of 949 crores during the quarter. Adjusted for subsidy, we recorded a growth of 154% to reach 941 crores. EBITDA stood at 155 crores for Q4 FY26, clocking a growth of 97% year-on-year and a margin of 16.3%. Adjusted for subsidy, the EBITDA grew by 124% to reach 146 crores and a 15.5% margin on the combined business.

For the year ending March 26, our revenues grew by 70% versus FY25 to reach 2,346 crores. Adjusted for subsidy, we clocked a growth of 69% to reach 2,279 crores. In the same period, EBITDA grew by 64% to reach 419 crores. Adjusted for subsidy, the EBITDA was 352 crores, a 56% increase versus FY25. We incurred an exceptional expense to the tune of 60 crores during Q4 FY26, predominantly on account of TSMA fees and the impact of changes in the labor code.

I now want to reiterate that our focus going forward will be divided into four parts. First, continue our journey to generate and fulfill demand for our brands to deliver double-digit volume growth. Second, optimize packaging, processes, and supply chain, and reap benefits of operating leverage and economies of scale to help us achieve an EBITDA margin of 16-18% on the combined business. Third, focus on efficient capital deployment, disciplined debt management, and working capital investment facilitating the reduction of net debt to EBITDA below 1 by FY29. And fourth, ride on the PAN-India distribution strength of Imperial Blue and Mansion House to expand the luxury and premium portfolio, including Spaceman Spirits Lab.

On the supply front, we have received the government nod for starting operations at our expanded capacity at Prag Distillery in Andhra Pradesh, one of the largest states for Tilaknagar Industries. The capacity has now increased from 6 lakh cases per annum to 36 lakh cases per annum. This expansion is a testament to Tilaknagar's push towards safeguarding supplies and demonstrating execution capabilities towards long-term capacity planning. On the back of this expansion, Tilaknagar Industries expects savings in bottling cost to the tune of 10 crores per annum. This expansion entailed an investment of around 60 crores which has been fully invested.

As of March 31, 2026, our gross debt stood at 2,295 crores and net debt stood at 1,911 crores. Lastly, the Board of Directors have recommended a dividend of Rs. 1 per share for FY25-26 to the members at the ensuing Annual General Meeting. I will now hand over to Ameya to take you through the integration of Imperial Blue and provide guidance on future performance.

Management: Thanks, and a very warm welcome to everyone joining us today. On the post-acquisition integration front, we are in the midst of a highly operations-heavy transition. Also, as mentioned earlier, we have taken TSMA support services from Pernod Ricard while the labels under the Tilaknagar Industries name were being registered.

In the Q3 earnings call, we had mentioned that we will exit significant operations under the TSMA belt by the end of Q4 FY26, and we have delivered on that. 75% of the IB business has exited TSMA by the end of Q4 FY26. For the states where we have exited TSMA in Q4 FY26, we have already started full-fledged operations at Tilaknagar Industries units. Now, only three states remain under TSMA, and we expect to transition them over the course of the next few quarters with an outer date of March 2027.

After the exit of TSMA in some of the states in Q4, we faced small business disruptions in the first couple of weeks of April; however, the team has done a commendable job in delivering record volumes in the month of May for Imperial Blue under Tilaknagar Industries ownership. On the margins front, because of the current ongoing geopolitical scenario, we do expect some pressure on input costs and margins. To combat this, we have identified and are working on several areas of cost optimization, which will mitigate the impact of this increase in raw material prices.

With regards to our team readiness for life post-acquisition, during the last few months, we have onboarded several senior leaders as well as built a PAN-India team to manage operations. We now have a fully built-in team to deliver continued success, as we increased our workforce from around 350 employees to 850 employees as of March.

Our strategy to lead the premiumization trend is anchored by a dual engine: the strength of our existing portfolio and a robust NPD pipeline. This is further accelerated by our partnership with Spaceman Spirits Lab, which positions us to capture the market through targeted luxury launches.

I would now like to take some time to provide guidance on the combined business going forward. For FY27, we expect to achieve a high single-digit to low double-digit volume growth for the combined business, which will be followed by a double-digit volume growth over the next couple of years. We expect a double-digit volume CAGR over the next 3 years. In terms of margins, we expect the consolidated EBITDA margins to reach 16-18% for the combined business over the next 24 to 36 months. The positive change in guidance is on the back of expected operational efficiencies and also includes the change in the presentation and disclosure of selling expenses, which Mr. Dahanukar had spoken about earlier. As guided in the past, we expect the net debt to EBITDA ratio to go below 1 time by FY29. With that, I would now request the operator to open the call for Q&A.

Operator: Thank you, sir. We will now begin the question and answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to withdraw yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question comes from the line of Chetan from Systematic Group. Please go ahead.

Chetan - Systematic Group: Yeah, hi, thank you for the opportunity. A few questions. Firstly, I wanted to understand what led to the flattish volume growth in Q4 for our ex-IB business? And for Imperial Blue, if you can tell us about the seasonality in the business—which are the strongest quarters and which are the weak ones for IB?

Management: One of the reasons is that Q4 last year in Andhra reflected very high performance because the route to market had only recently changed in October-November of 2024. That change led to sales in Andhra Pradesh being very high in Q4. That was predominantly the reason. But on a secondary basis, if you see, our existing business has grown by around 5%.

Chetan - Systematic Group: Okay, and on the Imperial Blue front, if you can highlight about the seasonality in the business? Which are the strong quarters for you?

Management: So, Chetan, unlike the Tilaknagar Industries business where Q1 is significantly weaker, which is visible in the numbers, IB is slightly more equally distributed among the quarters. Having said that, H2 does form around 51-52% of the volumes. You will see some seasonality coming in for IB as well.

Chetan - Systematic Group: Okay, got it. And my last question is on margin. We are expecting around a 250 to 400 basis points margin expansion on the acquired business in the next few years. How much of this should be from the customs duty reduction on Scotch import and how much from operational or strategic initiatives?

Management: Any reduction in custom duty, keeping aside price action that we ourselves may or may not take, will have no impact on the margins as such. That will have a direct impact on the MRP but not on our revenues or our cost structures. From that perspective, custom duty change on account of the potential UK FTA does not have any impact on our margins.

The expansion in the EBITDA margins is predominantly on account of the cost optimizations on the acquired IB business. Along with that, there are certain cost optimizations that we are also undertaking for the combined business, for the erstwhile Tilaknagar Industries business, especially on the supply chain side. Along with that, obviously, you have the UK FTA benefit that will kick in over here, which will have an impact. We will also have a couple of states where we could have a potential price increase, Telangana being one of them, though timelines are not yet known. Given how large Telangana is for us as a state, it will have a reasonable impact on margins.

Chetan - Systematic Group: Okay, got it. Thank you and all the best.

Operator: Thank you. The next question comes from the line of Mehul Desai with JM Financial. Please go ahead.

Mehul Desai - JM Financial: Yeah hi, thanks for taking my question. Firstly, I just wanted to understand how you are looking at the run rate for Imperial Blue, given that there is a Maharashtra impact which might continue for one or two quarters and a Karnataka benefit that can come? How do you look at IB volume growth and base business volume growth in your overall guidance of high single-digit to low double-digit volume growth for FY27?

Management: In terms of IB, a great part of the Maharashtra impact is already set in the base of FY26. Going forward, we do expect to grow at a similar clip, if not better, than the combined business. Between the two—the erstwhile Tilaknagar Industries business and the IB business—you are looking at somewhat similar levels of growth. IB business potentially will grow slightly faster than the erstwhile business purely on account of the lower base of FY26.

Mehul Desai – JM Financial: Got it. And can you help me with what the NSR for IB was in this quarter? Since there is a change in treatment, and you had given a number of around 1,300 in Q3, can you give this number for Q4?

Management: To be very frank, we are not giving an NSR segregation on a brand-wise basis. This was given in Q3 more from the perspective of giving visibility to model the business plan. But under the new net-off scheme, you can consider it to be approximately 20 to 30 rupees above the existing combined NSR that was reported.

Mehul Desai – JM Financial: Okay, got it. And lastly, how should one look at gross debt and capex over FY27-28?

Management: For capex, I think it will be maintenance capex for both years. I do not think capex will be large. You can take approximately 25 crores in each of the years. On the debt side, as we mentioned earlier, we have a moratorium of 2 years. Gross debt may not be the best way to look at this; net debt is probably the better metric. By the end of March 2027, you are looking at a net debt of approximately 1,700 crores or thereabouts. You will see a reduction in net debt with an upside bias to some extent.

Mehul Desai – JM Financial: Got it. Regarding TSMA charges, only 25% of this business is left to be exited. What are the timelines where you think these can undergo full transition?

Management: We have three states which are under TSMA right now. In all likelihood, there will be only one state which will continue in TSMA into the second half of this financial year. As we guided earlier, you can consider TSMA fees to be decreasing quarter-on-quarter with a full year impact anywhere between 55 to 60 crores.

Mehul Desai – JM Financial: Sorry, 60 crores for the entire year?

Management: Around 55 to 60 crores for the entire year.

Mehul Desai – JM Financial: And given that you did highlight that you have invested behind building the team, is this Q4 run rate of 43 crores of staff costs a steady state run rate that one can look at?

Management: Yes, that would be correct.

Mehul Desai – JM Financial: Excellent. This is really helpful.

Operator: Thank you. The next question comes from the line of Heer Gokhri with Choice Equities. Please go ahead.

Heer Gokhri – Choice Equities: Hello, thanks for the opportunity. I wanted to understand if we are going to incur any further costs related to Imperial Blue? Do we have any plans there or is it all established?

Management: As we mentioned in the earlier presentations, after four years of the acquisition, there will be a deferred consideration of 28 million euros that we need to pay to Pernod Ricard. But apart from that, there are no other costs to be incurred.

Heer Gokhri – Choice Equities: Okay, got it. And also on the portfolio front, I think we are looking at new NPD launches as well. Any highlights that you can provide?

Management: It is a little premature for that. For the moment, our focus lies in transitioning the IB business into Tilaknagar Industries as a whole. We see tremendous potential for the combined business as it stands today. Having said that, we do have an NPD pipeline in place and hopefully, we will be in a position to speak more about that in the quarters to come.

We also have the luxury business, which is of immense importance for us. We built a team very recently for that. Sanaya looks at that part of the business and leads that from Tilaknagar Industries' perspective. We have significant ambitions there, and we will provide further details as time progresses.

Heer Gokhri – Choice Equities: Okay, got it. And one last question would be any comments on the Telangana dues as they stand?

Management: Telangana dues have been stable in terms of number of days from January onwards. There has been no deterioration in the situation since January, but we are actively working with the government authorities to try and reduce the number of days outstanding.

Heer Gokhri – Choice Equities: Okay, got it. Thanks for that and all the best.

Operator: Thank you. The next question comes from the line of Nitin Mittal with JSL Ventures. Please go ahead.

Nitin Mittal – JSL Ventures: Thank you for giving the opportunity, sir. My question is with premium vodka gaining traction in India, does the company have any plans to launch a new vodka brand or expand its existing vodka portfolio?

Management: As part of our future strategic initiatives in terms of new launches, yes, there are certain categories that we are looking at. I would refrain from talking about any specific new brands we will launch, but we do have a brand in the form of Amara Vodka, which is part of the SSL portfolio. We see tremendous value in that portfolio, and with our usership arrangement kicking in towards the latter part of last year, you should be seeing traction coming out of that into our books as well.

Nitin Mittal – JSL Ventures: Okay, thank you sir. One more question: what are the three states remaining under the TSMA?

Management: We will not disclose that.

Nitin Mittal – JSL Ventures: Okay, thank you sir.

Operator: Thank you. The next question comes from the line of Karan Kamdar with Choice Institutional Equities. Please go ahead.

Karan Kamdar – Choice Institutional Equities: Hello sir, congratulations on the integration progressing well at 75%. My question is related to the run rate for Imperial Blue. Roughly 2,500 crores is what we are getting for the full year based on existing realizations and volumes that you have done in Q4. Would that be a correct way to look at it?

Management: Sorry, could you repeat that question?

Karan Kamdar – Choice Institutional Equities: We did about 4.6 million cases in Q4. Given that times four and the current realization of 1,300, you do about 2,400 crores of revenue on an annual basis. Is that a correct run rate to pitch the IB business at for the next one year until this full integration is complete?

Management: The only thing is that accurately, as I mentioned, the NSR now with the change in accounting needs to be adjusted accordingly. You are on the right track, just that you need to change the NSR per case.

Karan Kamdar – Choice Institutional Equities: So then the NSR would be on the higher side, because if you exclude discounts it will come a little bit lower, maybe by 10-15%?

Management: That is right.

Karan Kamdar – Choice Institutional Equities: Okay, got it. When are we expecting this full integration to complete? 2028 onwards or is it likely to be earlier? What would be the challenges causing a delay?

Management: I do not think we will go into 2028. We would be transitioned by the end of FY27 itself. I do not see any reason for delays on that front.

Karan Kamdar – Choice Institutional Equities: Got it, sir. Regarding the qualification that we have been seeing, my understanding was that it was related to the Prag Distillery. Is that not correct? Will the investment that we did this year not resolve it, or is it about some other distillery?

Management: This relates to the Shrirampur distillery. This relates to the ENA distillery that we have in Shrirampur, not Prag Distillery.

Karan Kamdar – Choice Institutional Equities: Got it, and any plans on when we would be doing this investment? This year or next year?

Management: It is under consideration. We will take a call at the appropriate time in terms of recommissioning of the distillery.

Karan Kamdar – Choice Institutional Equities: Got it. One last question is on the synergies between the two businesses. When do you expect those to kick in? When can we expect Suntara to benefit from this IB merger and NSR presence? How do you see that synergy picture for FY27-28?

Management: The SSL synergies have already kicked in. We have already started the usership arrangement. As that takes further shape, you will see a good amount of cross-linkages in terms of our Tilaknagar Industries organic luxury portfolio and super premium portfolio along with the SSL portfolio. But the bigger synergies lie in the Imperial Blue acquisition and the post-integration stage of that.

What we already started seeing is that from day one of acquisition, you have seen optimizations on the employee cost front given that we already had a team for the southern part of the country, a bit of East and Northeast, and on the corporate side.

There will be multiple optimization initiatives we are running on the supply chain side as well, especially regarding bottling. Remember that Imperial Blue was a Pernod brand, and Pernod had bottling units which were often dedicated to their own volume where all kinds of brands used to get done. You will see benefits coming out of bottling charges. You will also see other supply chain benefits on account of packaging as well as other general and admin overheads which would be at a much lower end at Tilaknagar Industries. Along with that, you will have revenue synergies starting in FY27 in the form of Tilaknagar brands as well as new brands getting launched in states where we were not present to begin with. Even IB will be launched in states where it was not present, specifically in a couple of regions. So, multiple revenue synergies will kick in in FY27.

Karan Kamdar – Choice Institutional Equities: Got it. One last question on margins. You have very ambitious margins and 16–18% guidance. Can you sort of give us a path to that number from the current 14–15%?

Management: Yes, as you would see in Q4, we have already done 15.5%. For the whole of FY26, we have done 15.5%, so I do not see a reason to start at a base of 14%. I would use 15.5% as the base for our guidance. With regards to how we are achieving this, on the lower end of our guidance range, you are looking at a 50 basis points improvement. This has purely been kept from the perspective of the current geopolitical tensions that exist. Any kind of inflationary impact is going to be taken care of by the lower end of our range. As we go towards the higher end, everything I have spoken about—whether in the form of cost optimizations, operating leverage on account of growth, or price increases—will come to fruition.

Karan Kamdar – Choice Institutional Equities: Got it, quite clear. Thank you, sir, and all the best.

Operator: Thank you. The next question comes from the line of Mehul Desai with JM Financial.

Mehul Desai – JM Financial: Yeah, hi. Just on this margin thing, you said 15.5% is the lower end of the guidance. Even in the case of RM inflation or the current crisis, you will be able to at least sustain the lower end of your guidance as a base for FY27. Is that a correct understanding?

Management: Mehul, from a full-year perspective, yes. However, if we talk about it on a quarter-on-quarter basis, we are already into almost the third month of the quarter, and we have faced certain input cost inflations in Q1. In Q1, it would be incorrect of me to say that we will expand on these margins. You may see some level of short-term impact, but from a full-year perspective and going forward, you should go with the guidance provided.

Mehul Desai – JM Financial: Right. And this guidance includes UK FTA benefits?

Management: Yes, the upper end of the guidance includes the UK FTA benefit.

Mehul Desai – JM Financial: And does the upper end also include anything from the Telangana price hike?

Management: To some extent it does, but I would like to surprise you with a higher margin.

Mehul Desai – JM Financial: That is good to hear. Thank you. And sorry, one last question on working capital. How should one look at inventory days and receivable days? Just some guidance on working capital given that FY27 will be a full year with both IB and the base business.

Management: On an ongoing basis, we can look at the working capital cycle in the range of 53 to 55 days of gross revenue. That is the way I would look at it.

Mehul Desai – JM Financial: Great. Thanks a lot.

Operator: The next question comes from the line of Chetan with Systematic Group.

Chetan – Systematic Group: Yeah, hi. Thank you for the follow-up opportunity. I wanted to ask about the Nigeria subsidiary where we will be doing an investment of up to 30 crores. What is the strategic rationale behind this, and can you highlight the addressable volume opportunity we are looking at there?

Management: We have an existing business in Nigeria for around 2.5 lakh cases, and that is where we see the opportunity. It is a fairly decent business there, and Tilaknagar had invested over a couple of years. It is a sustainable business in Nigeria.

Chetan – Systematic Group: Okay, got it.

Operator: The next question comes from the line of Raghav Rakhi with Kotak Holdings. Please go ahead.

Raghav Rakhi – Kotak Holdings: Good morning and thank you for taking my question. We earlier indicated that Imperial Blue will do around 2,200 crores of business, but when we had taken it over, it was doing around 3,300 crores. When will we reach that normalized number in the Imperial Blue business? And by when can we see a consolidated business of 5,000 crores plus along with our Brandy and Imperial Blue put together?

Management: Let me just clarify in terms of our FY27 numbers. You will see us exceeding what we acquired the business at in FY25. I think there is an issue with the calculation because the Imperial Blue business would have done approximately on a proforma basis somewhere around 21 to 21.5 million cases. You are arriving at a much higher number than the 2,200 crores that you are referring to. Regardless, FY27 will be a bigger business than what we acquired in terms of FY25 being the base.

Raghav Rakhi – Kotak Holdings: So we should be able to do a revenue of more than 5,000 crores including our Brandy?

Management: Again, it comes down to the change in the accounting. Had I stuck with the original accounting of not deducting the selling cost, then yes, we would have. But now that we are deducting it, it will be less than 5,000 crores.

Raghav Rakhi – Kotak Holdings: And what does this selling cost come to in percentage?

Management: We are not explicitly sharing that number. However, you will be able to calculate it on the back of Q3 numbers since we have in the past given a Q3 grossed-up number. Basis that number, you will arrive at a percentage anywhere between 6-6.5% of grossed-up revenue.

Raghav Rakhi – Kotak Holdings: Okay. Thank you so much.

Operator: Thank you. The next question comes from the line of Venkatesh T with Alpha Trade. Please go ahead.

Venkatesh T – Alpha Trade: Hello, good morning. My question is regarding the recent policy changes in Karnataka. What will be the effect on high-end brands and for Tilaknagar Industries?

Management: As I mentioned in my opening remarks, we expect an MRP reduction of approximately Rs. 20 on both the flagship brands—Imperial Blue and Mansion House—on the 180ml pack size. With the reduction in MRP, we expect a further uptick in volumes going forward. Just to give a reference point, the last time a price reduction took place in Karnataka for our portfolio—from 257 to 235 rupees per nip, which was around 22 rupees—we saw significant growth beyond just high teens in that state.

Venkatesh T – Alpha Trade: Okay. And regarding the Brandy market for overall India, can you give me some outlook on that and how we will be growing on this?

Management: What is relevant for us is the prestige and above Brandy market. The prestige and above Brandy market is to a great extent driven by Tilaknagar Industries' performance on the back of Mansion House and Courrier Napoleon Brandy performance. From that perspective, you can assume that P&A Brandy will grow at a similar clip as our overall growth. You can go with the guidance I have already provided.

Venkatesh T – Alpha Trade: Okay, thank you. That is all from my side.

Operator: Thank you. The next question comes from the line of Anand S with Avendus Spark. Please go ahead.

Anand S – Avendus Spark: Yeah, hi. Just a couple of questions. Firstly, in terms of taking our Brandy beyond South markets to North and West, how many touchpoints would we have reached so far, and what is the target for the current year in terms of Brandy penetration in non-South markets? Second, in terms of the TSMA costs we are calling out as an exceptional item, is any portion of this an operational expense? Or is it non-recurring such that it will not reflect as an operational cost once the transition to Tilaknagar entities is 100% complete?

Management: As it stands, we haven't launched Brandy in the Northern markets, but we are in the process of doing that in FY27. This is true not only for the mass and mid-prestige portfolio but even for our luxury portfolio in the form of Monarch.

With regards to the TSMA piece, if I understand correctly, your question is whether any part of this fee will start showing up in operating expenses. No, these are significantly extraordinary items and thereby they will not show up at a future point in our operating expenses, apart from a really small component of maybe 5% of the cost.

Anand S – Avendus Spark: That was helpful. Thank you.

Operator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for their closing comments.

Management: Thank you all for joining today's call and for your continued interest in our progress. FY26 has been a landmark year for us and as we look ahead, we are incredibly excited about the opportunities that lie before us in the coming quarters and years. While we fully recognize that the path ahead will present challenges, we are confident that we have identified the critical areas, both short-term and long-term, that will drive our success. We are equally excited to have you with us on this journey as we work towards building a truly pan-India premium-focused alcobev company. Thank you once again for your time and support. We look forward to reconnecting with you soon. Thank you.

Operator: Thank you. On behalf of Tilaknagar Industries Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.