SOM DISTILLERIES AND BREWERIES LIMITED

Registered Office: I-A, Zee Plaza, Arjun Nagar, Safdarjung Enclave, Kamal Cinema Road, New Delhi - 110029
Phone: +91-11-26169909, 26169712 Fax: +91-11-26195897
Corporate Office: SOM House, 23, Zone II, M.P. Nagar, Bhopal, Madhya Pradesh – 462011
Phone: +91-755-4278827, 4271271 Fax: +91-755-2557470
Email : compliance@somindia.com **Website**: www.somindia.com
CIN : L74899DL1993PLC052787
(BSE : 507514, NSE : SDBL)

SDBL/BSE/NSE/2025-26 **18.02.2026**

To,

The Manager, Listing Department, **NATIONAL STOCK EXCHANGE OF INDIA LIMITED** 'Exchange Plaza' C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. cmlist@nse.co.in Security ID: SDBL	Dy. General Manager, Department of Corporate Services, **BSE LIMITED**, First Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001. corp.compliance@bseindia.com Security ID: 507514

SUB: INTIMATION UNDER REGULATION 30 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 - EARNINGS CONFERENCE CALL TRANSCRIPT

Dear Sir/ Madam,

Pursuant to Regulation 30 of Listing Regulations, Please find attached Earnings Conference Call transcript of Thursday, February 12, 2026, with regard to the Unaudited Financial Results for Q3 FY2026.

The transcript of the said Earnings Conference Call is also available on the Company's website i.e. www.somindia.com.

This is for your information and records please.

Thanking You,

For Som Distilleries & Breweries Limited

NAKUL KAM SETHI
Digitally signed by NAKUL KAM SETHI
Date: 2026.02.18 12:17:45 +05'30'

Nakul Kam Sethi
Din: 06512548
Executive Director

“Som Distilleries & Breweries Limited

Q3 and 9M FY26 Earnings Conference Call”

February 12, 2026

MANAGEMENT: **MR. NAKUL SETHI – DIRECTOR-FINANCE AND STRATEGY**
MR. DIWAKARAN – CHIEF OPERATING OFFICER

Moderator: Ladies and gentlemen, good day, and welcome to the Som Distilleries and Breweries Limited Q3 and 9M 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 this presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I would now like to hand the conference over to Mr. Diwakaran from Som Distilleries and Breweries for the opening remarks. Thank you, and over to you, sir.

Diwakaran: Good morning, everyone. Thank you for joining us today to discuss our Q3 FY26 performance. It's always a pleasure to connect with our valued investors and analysts, and I extend a warm welcome to each of you on behalf of the Som team.

Our company posted subdued numbers in Q3 FY26 on account of more-than-expected cold weather conditions in our key markets like Madhya Pradesh, Delhi, which led a volume decline in the beer volumes. The situation was further impacted due to the less-than-expected recovery in Karnataka during the quarter.

Looking at the quarter gone by, we recorded a total income of INR 2,542 million, which reflects the challenges we faced during the period. Our EBITDA for the quarter was INR 231 million with a margin of 9.1%. Net profit for the quarter was INR 55 million with a margin of 2.2%, reflecting the pressure on our volumes and pricing during the quarter.

In terms of volumes, on the beer front, we achieved a total of 35.3 lakh cases, marking a 24% year-on-year decline. Our IMFL segment saw a strong 46% increase, contributing 5 lakh cases. Despite the overall volume pressures, our IMFL brands continued to show positive momentum, highlighting the effectiveness of our premiumization strategy.

Beer realization for Q3 FY26 was INR 543 per case compared to INR 516 in Q3 FY25, driven by a shift in product mix. For IMFL, realization stood at INR 988 per case, down from INR 1,068 in Q3 FY25, reflecting pricing pressures across the category.

Looking ahead, we are hopeful of reversing this trend by posting encouraging numbers in the Q4 of this year, driven by market share increases in our key markets. We remain focused on navigating the current challenges, while continuing to expand our premium portfolio, execute our strategic market initiatives and drive operational excellence. We are committed to delivering consistent value and sustainable growth for our stakeholders.

I will now hand over the call to Mr. Nakul Sethi, who will provide further insights into our financial performance for the quarter. Over to you, Nakul.

Nakul Sethi: Thank you, Diwa sir, and good morning to everyone on the call. It's a pleasure to take you through the financials and strategic highlights. A significant highlight during the quarter was the ongoing progress of our INR 570 crores greenfield project in Uttar Pradesh, Phase 1 of which is expected to be completed by June of this year.

This project under our subsidiary, Woodpecker Greenagri Nutrients, will significantly enhance our production capabilities and provide the necessary infrastructure for long-term growth.

During the period under review, the company successfully achieved the financial closure for both phases of the project.

This represents a key milestone and provides long-term funding visibility for the project, enabling execution as per planned timelines and reducing the funding-related uncertainties going forward.

For the nine months of FY26, our IMFL portfolio grew by 55%, reaching a total of 13.1 lakh cases. Our beer volume reached 154.6 lakh cases, down 13% from the same period last year. For the first nine months of FY26, our total income reached INR 1,054 crores with an EBITDA of INR 135 crores and a margin of 12.9%.

The net profit for nine months FY26 was INR 67 crores with a margin of 6.4%. Despite a margin decline in revenue during the period, the company recorded improvement in gross margin and EBITDA margins, reflecting operational efficiency and improved product mix.

Reduction in profit before tax and profit after tax is primarily attributable to higher finance costs and increased depreciation during the period, consequent to higher working capital utilization and capital expenditure undertaken for capacity expansion and strategic investments.

The core operating performance of the company remains stable, and the management continues to focus on strengthening revenue growth, optimizing working capital and improving overall profitability. With the progress on our greenfield project and our focus on expanding our premium offerings, we are well positioned to capitalize on opportunities in the upcoming months and continue to create long-term value for our stakeholders.

I would also like to take this opportunity to update you on the recent press release, which was given by us, on the suspension of the license of the Bhopal plant. We have made the required submissions in the MP High Court, and we expect a judgment on the issue in the next 2 to 3 days. I would also take this opportunity to express my sincere gratitude to all our stakeholders for their unwavering support and confidence in our business.

Thank you, everyone. And now, we are open for the Q&A session.

Moderator: Thank you. We will now begin the question and answer session. Our first question comes from the line of Manoj Pal, an Individual Investor.

Manoj Pal: Yes. My question is, sir, how do you think recently, that trade agreement, which has been signed by the European Union and America, so how do you see, whether it is an opportunity or it's a threat to our business? That's my first question.

Diwakaran: We don't see it as a threat. And you have seen many of these multinationals with themselves in the country with their legacy brands, right? And we are competing with them, and we are the largest Indian beer company. And as a listed beer company, we are the second, right?

Only the second out of the 2, right? So we have been facing these market situations and facing competition like this before. And we have enough strategic approach, as well as our executional approach, to overcome any challenge of such kind.

Manoj Pal: Okay. And sir, my next question is, in last to last con call, you said that the promoter has the intention to increase the stake up to 51%. So is there any timeline? If it is so, then, what is the timeline? And how they will increase the stake, whether it will be from the open market or some other process?

Nakul Sethi: I'll answer that. I think the time frame for increasing it to 51% is short to medium term, maybe in the next 2 to 3 years. And the increase is going to come through preferential issues as and when the capital is required in the company or from open market purchases.

Moderator: The next question comes from the line of Aditya Singh from Multibagger Stocks.

Aditya Singh: So the first question I had was regarding like what was the certain mix or certain changes that happened which led to such a quarter? Because earlier also, we had the same amount of excise duty and the raw material mix, but the results were way better. So if you could just fine-tune it for me, that would help a lot?

Diwakaran: Yes. So the conditions in the market was extremely poor in terms of the consumption occasions and consumption times, etc., basically because of the weather condition. And across markets, the North market has declined very heavily due to cold conditions. The extended rains in the south of India, it extended even till November, December. The rains were continuing, and the cold conditions together have contributed to this thing.

And also, we have had some challenges in terms of regulatory issues in the state of Karnataka, right, and which was overturned in the middle of the first quarter of this year, and that is also getting recovered in the marketplace.

And we are seeing an improvement quarter-on-quarter. Like first quarter performance versus second quarter, third quarter, we are improving, and the third quarter is better than second quarter. And even the month of January, it's looking better than the third quarter. So mainly to do with the conditions not conducive to beer consumption.

Aditya Singh: Okay. And my next question was regarding that in the last con call, you guys gave a target for INR 800 crores of net revenue for H2. And as you can see that in this quarter, we have only achieved near INR 250 crores. So are you confident that we will be able to reach INR 650 crores of net revenue for Q4?

Nakul Sethi: Looking at the scenario right now, I think we would reach close to about INR 1,500 crores by the end of this financial year.

Aditya Singh: Okay. And can you provide any volume guidance for Q4? Q4 only, not for next year?

Nakul Sethi: I mean, obviously, on volumes also, we would do well as compared to Q3 because we have to achieve close to about INR 450 crores of sales.

Moderator: The next question comes from the line of Piyush Anand from Paras Capital.

Ayush Anand: Yes, sir. My question is, sir, what is the status of Andhra Pradesh entry? And have supplies started? And will it contribute meaningfully from Q4?

Diwakaran: Yes. So we received a communication from the Andhra government through APBCL, on 23rd of January that they are opening the tender and deciding on it by 10th of February. So 10th of February, they have not opened it. We got the latest update that they are likely to open it this weekend. So if they open it, then our brands are already quoted, and we hope to get the permissions very soon.

If they act soon, then we'll be able to supply this quarter itself. Otherwise, for next year, it will be a good revenue for us. We're already in the back end working on establishing our teams and things like that. On the back end, we have already started work.

Ayush Anand: And sir, did Woodpecker launch in Odisha and Mumbai in Q3? And has single malt has been launched?

Diwakaran: See, you're talking about Mumbai?

Ayush Anand: Yes, sir. Woodpecker launched in Odisha and Mumbai in Q3?

Diwakaran: No, we are negotiating with them in terms of our terms and things like that. That is still not closed.

Ayush Anand: And what's on Mahavat brand?

Diwakaran: Mahavat, when compared to Q2, Q3 has been better. We expanded Mahavat from Madhya Pradesh to Delhi and UP as well. And both these markets, we are able to see penetration going up in terms of availability, as well as consumer response. So it's a game that we need to stay there and keep doing it. So it will take some time for us to realize the full potential of the plans that we have made.

Ayush Anand: Okay, sir. Sir, can you share your NSV growth, price mix and current realization per case this quarter?

Nakul Sethi: Yes. We had already given in the earnings presentation. Have a look.

Ayush Anand: Okay, sir. And last question is, excise as a percentage of sales rose from 43% to 48%. So is this mix shift towards higher-tax states, is this sustainable or what?

Nakul Sethi: No, see, whatever states impose tax at the time of dispatch, that is the difference between gross sales and net sales, right? So obviously, this is the money which comes back to the company. And this is incurred at the time of primary dispatch in most of the states. So it depends upon the revenue mix from states which we are getting. So –it does not indicate anything which is the common notion that we have given higher excise or something like that.

Moderator: The next question comes from the line of Rudraksh Kalra from MB Investments.

Rudraksh Kalra: So we've seen pressure on the top line and the bottom line. So where are we at the current moment? Like, is the company going to have a regular March quarter or no, firstly? And the second question is along the trade deal. So how does it compare to the demand that is imported into India? So if you could comment on both of those questions, that would be nice?

Nakul Sethi: I think like Diwa sir said it in the previous question that we are Q4. In terms of margin, there will be a reduction in the investment. Because we have been of equity which was required in the subsidiary. So all the accruals will be now used for reducing the interest cost, which was not the case in the previous 3 quarters. And I think we have already answered the earlier question on the trade deals.

Rudraksh Kalra: Yes. But it was not very specific. So what is the demand that is in India from the American and European markets? And how does the current portfolio of the company compare with the demand of the U.S. and EU trade deals?

Diwakaran: More the players in the market is better for the business, I mean, because we kind of learn from each other, and it's an opportunity for us to get better and better. As we see, we don't see a problem for any of our portfolio. Maybe overall, if you look at the European markets and American markets, and the FTA thing will probably help the IMFL a little more than beer because beer, it all depends on price and depends on logistics.

It depends on how we are able to service the market with the distribution scale, etc. So I don't see a problem with beer at all. So whatever impact it will have, I think it will be more in the IMFL side. And IMFL part of our business today is just about 10% to 15% of our revenue, right, and we have an opportunity to grow there.

And we are also in the stages of premiumizing our portfolio. So I see that as an opportunity more than a threat. And we are prepared. I mean, we will do what we are capable of doing, what our portfolio is capable to deliver, we'll deliver them.

Moderator: The next question comes from the line of Sunil Jain from Nirmal Bang Securities.

Sunil Jain: My question relates to the UP expansion. So you said that the Phase 1 will be starting in June. So can you talk about is there any other regulatory approval and all is likely to be awaited, or all has been received? And Phase 1 and Phase 2, if you can divide how much investment and how much revenue generation capacity it can be?

Nakul Sethi: So sir, there is no approval required for Phase 1 as of now. All approval has been obtained. The Phase 1 investment is about INR 370 crores. Phase 2 is INR 200 crores. Phase 2 will happen approximately one year after Phase 1.

Phase 1 entails establishment of a brewery with a capacity of one crore cases. And we expect that on an 80% to 85% capacity utilization, that capacity can give us close to about INR 650 crores to INR 700 crores of top line.

Sunil Jain: And the funding you said tied up with the bank, so there must be gap for the equity funding also. So how that will be funded? Means, it will be internal accrual, or there could be some equity infusion as well?

Nakul Sethi: Sir, that already has been funded.

Sunil Jain: Okay. So that already been funded through internal accrual because up till now, you have not raised any equity. Sir, second question relates to MP plant. So now this recent press release what you had said, so currently, our MP plant is closed or is still operating?

Diwakaran: It's closed.

Sunil Jain: Okay. So will this have an impact on the Q4 numbers?

Nakul Sethi: I mean, if it goes on for a long time, then obviously, but we are trying to ensure that it should have minimal impact as of now.

Sunil Jain: Okay. Because the peak season will start in the March. So if it extends, then it can have a major impact?

Nakul Sethi: It'll be resolved very soon, sir. We are just waiting. We had made a petition last week in the MP High Court, and the petition was heard, and the judge has reserved the order. We are expecting the decision within this week.

Sunil Jain: Okay, fine. The petition has already been heard. Fine, sir.

Moderator: The next question comes from the line of Hiten Boricha from Sequent Investments.

Hiten Boricha: Sir, my question is on the recent press release. Our license has been canceled. So can you shed some color on that? What has exactly happened, and why this cancellation has been issued against us?

Nakul Sethi: I think, sir, we have already given a detailed press release on this and also have answered this question.

Hiten Boricha: Okay, sir. And my second question is on the Mahavat brand, sir. You mentioned we have launched this brand in MP and UP. So what is our plans to launch this brand in other markets like Maharashtra and other markets?

Diwakaran: Our approach is very, very cautious on any launches. We make sure that wherever we have launched, it works for us, and then we expand to the other markets. So first, now we did MP. MP has reached a reasonable scale in terms of width of distribution, and the volume also is repeating. And we are happy with the progress that we are making in Madhya Pradesh.

Delhi, we started in the previous quarter, and there is improvement. But there is still scope for improvement in Delhi, which we are working on. UP is also progressing well. So we want to entrench these markets in a reasonable way and then step into other markets. Obviously, the next set of markets will be the big markets like Maharashtra, Karnataka, all these markets.

But first, we want to be satisfied with these 3 markets, and then we'll move on.

Hiten Boricha: Okay. Understood, sir. And sir, my last question is on the gross margin as it was impacted by the raw material cost. So how is it shaping up now? And follow-up question is on the demand side. Our demand during this quarter was cold, as you have mentioned in your opening remarks. How is it shaping up now in January and February, sir? Is the recovery is back in the market?

Nakul Sethi: I think, sir, the gross margin was impacted mainly by the share of Hunter going down in the overall sales mix. So if you look at Q2, it was about close to 28% of our total beer sales, and it has gone down to about 19%. And you would appreciate that Hunter is our mainline brand, and it commands a higher ex-brewery price as compared to the other beers in our portfolio.

Plus, there were some cost pressures on quarter-to-quarter where the prices of barley have risen in the range of 5% to 6%. Glass bottles have risen by about 3% to 4%. So I mean, the gross margin was impacted by that in Q3. We expect that there should be a revival in the gross margins in Q4 because the season has started.

Hiten Boricha: Okay. So sir, can we easily pass on this price? Are we looking to take a price hike in Q4 or maybe next quarter?

Diwakaran: No, there is no plan to take any price increase. If there is an opportunity that is presenting to us, then we'll look at it. At this point in time, we are not looking at it in Q4. We want to focus on increasing revenues, and that is the first priority, and that will continue to happen.

Hiten Boricha: Okay. And sir, just one clarification question. You mentioned INR 650 crores, INR 700 crores top line from the UP expansion. That is from Phase 1 plus Phase 2, right?

Nakul Sethi: No, that's only Phase 1.

Hiten Boricha: Okay. And any number on Phase 2, sir?

Nakul Sethi: No, I mean, let's wait for Phase 1 to materialize. Then we can give you some clarity on Phase 2 going forward.

Moderator: The next question comes from the line of Rohit from Vishwa Investments.

Rohit: Sir, actually, peers have maintained or expanded somewhat margins. Why is our margin structure weaker than the peers? Is this a scale disadvantage or operational inefficiency?

Nakul Sethi: I think you're wrong in your statement because our peers is United Breweries only, and that is only the listed company which is in the beer segment. So I don't know from where did you get your facts.

Rohit: Sir, I think industry demand is also healthy.

Nakul Sethi: No. That's what I'm saying. You have got all your facts wrong because UB is the only listed beer company besides us.

Rohit: No, I'm talking about whole alcohol industry.

Nakul Sethi: That's what I'm saying. You are telling me about my operational inefficiency. I'm telling you, you have to compare apple with apple. You can't compare apple with oranges. And in the previous calls also, we have highlighted that there is pressure in the beer segment because of unusual weather hitting us hard, and so has UB also in its calls or in the results reflected on that. So you have to give some time for the industry also to revive or the segment in which we are operating.

Moderator: The next question comes from the line of Jitaksh Gupta from Tikri Investments.

Jitaksh Gupta: Sir, I just have one question. Can you please provide the utilization of all our 3 plants, which is Bhopal, Hassan and Odisha?

Nakul Sethi: Just a give me a moment. Sir, Q3, we operated the Bhopal plant at 56%, Woodpecker at 42% and Odisha plant at about 36%.

Jitaksh Gupta: And sir, last question, sir, is there any opportunity to expand more further at our existing plant? Do we have any plans?

Nakul Sethi: No, I think we've got ample capacity at the moment at all the plants. Plus, of course, we are setting up a big capacity in UP.

Moderator: The next question comes from the line of Siddharth from Vittae Money.

Siddharth: So my first question is that there is 24% decline in beer volume, and there has also been decline in case per realization. I'd like to have clarity on this. And next, I'll take you through the next set of questions.

Nakul Sethi: I'll answer that first. I mentioned earlier also in the previous question because the contribution of Hunter fell down as compared to Q2, that is the reason that the price realization has come down.

Siddharth: Okay. And if I may know, why the contribution of Hunter fell down?

Nakul Sethi: Because Hunter sells mainly in Madhya Pradesh and Delhi, and each were impacted severely by unusually cold weather this time around. That is the reason.

Siddharth: Okay. The unusual cold weather can be accounted for the dip in the beer sales and the contribution of Hunter, right?

Nakul Sethi: Yes.

Siddharth: Okay. So this is one question of mine. The second thing is that there has been a decline in per case realization of IMFL as well. So I would just also love to have clarity on the same, following the next set of questions.

Nakul Sethi: So I think the realization went down from INR 988 to INR 939, I mean, I'm talking of Q2 versus Q3. But that was made up by the increase in volumes. So I don't think it made a big difference.

Siddharth: Sir, increase in volumes, right?

Nakul Sethi: From 4.1 lakh cases, it has increased to 5 lakh cases.

Siddharth: Yes. So you're saying the price can be accounted to the increase in volumes in general, right? Just to clarify.

Nakul Sethi: No. This is a brand adjustment.

Siddharth: Okay. So I got clarity on this. So the next question of mine is that if you compare the top line of the company on a year-on-year quarterly basis, there has been dip in the revenue, if I'm not wrong, close to 15%. But excise duty has stayed up on the same line, which has contributed to the dip in gross profit and all further metrics contributing to the bottom line. Just want to understand why excise duty was high in general.

Nakul Sethi: I had mentioned it in our previous caller also that the excise duty, does not have any role. It depends upon which state you sell, okay. So you should always look at net sales if you are comparing my performance. Gross sales doesn't play any role in how the company performs. There might be instances where the gross sales have increased because I'm selling more in, say, Karnataka or Odisha and less in MP, but the net sales would not have increased much. You got my point.

Siddharth: Okay. Yes, I'm getting. I got this. And the last...

Nakul Sethi: If you've got any other query, you can connect with our Investor Relations team later on. Thank you so much.

Moderator: The next question comes from the line of Nagaraj, an individual investor.

Nagaraj: Sir, you told that UP plant Phase 1 is for establishing beer facility, and it will be completed in the month of June 2026?

Nakul Sethi: Yes.

Nagaraj: Okay. And my query is, Infomerics rating agency in his report says this Phase 1 will be completed in October 2026, whereas you are committing June 2026. I just want clarification on this. And second thing is, since we are completing the Phase 1 for beer sales in the month of June, again, seasonal rains will start in the month of July and winter season will start off. Is it not a bad planning to commission the plant in rainy season? This is my first question.

Nakul Sethi: Let me answer that. Infomerics has given this based upon what we had given the projections to our bankers, right. So I think you should be happy that we are completing it before time. If we were going to commission it in October, then obviously, we'll enter in the winter season. June will give us some main season, plus it will help us also in stabilizing the plant.

So I think we are very much thoughtful of what our planning is. So I think because we are running 3 plants as of now, and this will be our fourth plant, so I think the promoters and the management team is pretty much experienced in the way we want to conduct the business.

Nagaraj: And all the price loss bank loans have been arranged, sir, for Phase 1?

Nakul Sethi: Yes. Everything has been arranged.

Nagaraj: Okay. And sir, we had plans to launch our beer and IMFL segment in Tamil Nadu and Kerala. Can you just throw some light on this?

Diwakaran: Yes. Tamil Nadu, we are already present from April 2025 onwards, and we have been progressing well in that market. In fact, the last quarter was better than the previous quarter in terms of our market share and penetration.

Nagaraj: What about Kerala?

Diwakaran: Kerala, we have been there for last 5, 6 years. I mean, we have been doing a stable business there.

Nagaraj: And you have just given a projection of reaching INR 1,500 crores top line this year, financial year. Does it mean that we'll be achieving around INR 450 crores of sales in Q4, excluding excise duty?

Nakul Sethi: Yes, sir, that's our aspiration.

Nagaraj: I mean, how confident are you to reach this INR 450 crores, excluding excise duty?

Nakul Sethi: I think we are pretty confident. Otherwise, I would not have told you this number.

Nagaraj: Okay, sir, good luck, because retail investors like me, we have put our hard-earned money, and we are seeing the stock price going down month after month. I hope we succeed reaching this INR 450 crores and the stock price recovers.

Nakul Sethi: And you should also bear in mind that certain years are tough for the industry. Not every year can be growth years or something like that. So, as a retail investor, you should have patience and have faith in the company.

Nagaraj: Yes, sir, we are a very long-term investor, holding big quantity of our portfolio in your esteemed company. And I wish you good luck to achieve INR 450 crores in Q4.

Moderator: The next question comes from the line of Anudeep, an individual investor.

Anudeep: So my question is regarding that you said that the cost of materials, which have increased close to INR 55 crores from last quarter to this quarter, but the sales have only increased slightly. I understand that you said the increase in cost is primarily due to the bottles and all these, right? But that's a significant increase, right? We did not plan this ahead, or like how this is going to affect in the future quarters?

Nakul Sethi: I mean, if you would appreciate that barley is an agricultural product which is used as a major raw material. Similarly, the prices of glass bottles also vary a lot during the year. So I mean, there are certain things which we can plan and there are certain things especially the cost pressures, when they come, we try to absorb because we cannot pass on these increases to the consumer because the excise policy is such that the prices are finalized in once a year. You cannot have multiple price increases. And that's the peculiarity of this industry.

Plus, Q3, I mean, as I mentioned, was pretty tough because our major consumption markets were impacted a lot by the cold weather. And due to the sale of Hunter being low, therefore, the net realization also was impacted. But let's hope that Q4 and the ensuing quarter, we are able to deliver a good performance.

Anudeep: Sir, but like when you say this, right, so how much inventory do you hold for this? Like how much months of inventory you hold for the bottles and all?

Nakul Sethi: On average, I mean, it depends. Beer is a very seasonal industry, right, just like soft drinks. So I mean, if you look at the lean season or when we are planning for the main season, we hold about 3 months of inventory of glass bottles.

Anudeep: Okay. And sir, I mean, , like what the previous investor has also said, right, I mean, we are long-term investors in your company, and we believe the story. But such a big margin drop, I mean, I understand that you are referring to United Breweries. I mean, they are the only listed player in the market who is our apples-to-apples comparison, but they are able to hold the margins?

I mean so we're just coming from that perspective and again, obviously, the kind of news that's coming with the recent MP plant ban and all, that's having a lot of effect so, also one more thing, when you said the license has been canceled, that's only on the production, right? You can still sell the products in MP?

Nakul Sethi: No, first of all, the license has been suspended. It's not been canceled.

Anudeep: Yes, sorry.

Nakul Sethi: And second, no, we cannot sell anything as of now.

Anudeep: Okay. You cannot sell also in MP?

Nakul Sethi: I mean, whatever is there in the shops is being sold. But we can't do any fresh production.

Anudeep: But you cannot use the production from Odisha or Karnataka to sell it in MP?

Nakul Sethi: That will not make sense also.

Anudeep: But MP is a very big market for us.

Nakul Sethi: Yes. You just have to give us another 2, 3 days to solve this.

Anudeep: Okay. I hope you do achieve the INR 450 crores you promised. Thank you.

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

Diwakaran: Yes. Thank you, everyone, for joining the call. We hope we have addressed your questions satisfactorily. For any further information, please reach out to our Investor Relations team. Thank you once again.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Som Distilleries and Breweries, that concludes this conference call. Thank you for joining us, and you may now disconnect your lines.