

20th Annual General Meeting of Sula Vineyards Limited

June 23, 2023

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Good morning, ladies and gentlemen. Welcome to the 20th Annual General Meeting of Sula Vineyards Limited. This meeting is being held through video conferencing in accordance with the circulars issued by Ministry of Corporate Affairs, applicable provisions of the Companies Act 2013, and SEBI regulations. The proceedings of this meeting are being webcasted live for all our shareholders as for the details provided in the notice to this Annual General Meeting. The proceedings are also recorded for compliance purposes. In accordance with the provisions of the Companies Act 2013 and SEBI regulations, members have been provided with the facility to exercise their vote by electronic means both through remote e-voting facility and e-voting at the Annual General Meeting. Remote e-voting facility was made available to all the members holding shares as on the cutoff date, which is June 16, 2023 during the period commencing from 9:00 AM on June 20th till 5:00 PM on June 22nd. As mentioned in the notice, the facility of participation in the AGM through video conferencing has been made available for 1000 members on first come first serve basis except for large shareholders, promoters, KMPs, chairperson of the committees, as well as auditors who are allowed to attend the AGM and without any restriction.
- Pursuant to the MCA circular April 8th, 2020 issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast votes for the members is not available for this AGM. Members joining the meeting through video conferencing facility who have not yet cast their vote by means of remote e-voting may vote through the e-voting facility at the AGM. The e-voting platform is now open for voting and will close 15 minutes from the time of the closure of this meeting. The members who have cast their vote by e-voting prior to the meeting are requested to not cast their votes once again please. The Board of Directors have appointed M/s. Martinho Ferrao & Associates, Practicing Company Secretaries as a scrutinizer for this meeting. Based on the report of the scrutinizer, the combined results of remote e-voting and e-voting at the AGM will be announced and displayed on the website of the company and submitted to the stock exchanges. The registered office of the company situated at Mumbai shall be deemed as the venue for this meeting and the proceedings of the AGM shall be deemed to be made thereat to transact the business is as mentioned in the notice. We have received requests from 16 members for registration as speaker shareholders in the AGM today. All those shareholders have been provided specific links to login into the meeting and we shall be allowing them to speak. For smooth conduct of the meeting, speaker members will be kept on mute by default to avoid any noise or disturbance.

- During the question and answer session, we will announce names of the members who have registered themselves as speakers for this meeting in sequence. Thereafter the respective member will be unmuted when his/her name is called out. Members while asking questions or seeking clarifications may turn their video on. In case any member is facing a technical problem with the video transmission, they can ask the questions through audio mode. Members are requested to restrict their questions to the matters being transacted at the meeting. In the interest of all members, I request the speakers to keep their comments brief and avoid repetition of questions. This will allow all members who have preregistered to get an opportunity to speak. Thank you. I now hand over the proceedings to our Chairman of the Board and Audit Committee, Mr. Chetan Desai.
- **Mr. Chetan Desai – Chairman & Non-Executive Independent Director, Sula Vineyards Limited:**
 - Thank you, Ruchi. Good morning dear shareholders, ladies and gentlemen. On behalf of the Board of Directors, the management, and employees, I extend a warm welcome to all of you to the Annual General Meeting of Sula Vineyards Limited. I appreciate your presence today that is testimony to your interest and support in our company. I trust all have received and have the opportunity to glance through the annual report for FY2023, the report highlights and overview out of the company's business performance and outlook. It's our sincere effort to allow you an insight of the direction in which the company is headed. Let me now introduce to you our board members. Mr. Rajiv Samant, Managing Director & CEO & Chairman of the CSR committee. Mr. Alok Vajpeyi, Independent Director & Chairman of Nomination and Remuneration Committee, and Stakeholder Relationship Committee. Ms. Sangeeta Pendurkar, Independent Director & Chairman of Risk Management Committee. Mr. Riyaz Amlani, Additional Independent Director. Mr. Roberto Italia, Non-Executive Nominee Director, and Arjun Anand, Non-Executive Nominee Director.
 - The presentative of statutory auditors, the secretary auditors, and the scrutinizers are also present at the meeting. I hope that you have found the annual report to be an informative and engaging reading experience. I would like to take this opportunity to thank the shareholders who have given their valuable feedback and your inputs are crucial in guiding our future endeavors. None of the statutory reports contain any qualifications, observations, or remarks, which may have an adverse effect from the functioning of the company. accordingly, the auditor's report is taken as read. I now request Mr. Rajeev Samant, Managing Director and CEO to take over.
 - **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
 - Thank you, Sir. Greetings, dear shareholders and directors to the first Annual General Meeting of Sula Vineyards in our great new chapter as a listed company. I'm Rajeev Samant, Founder and CEO of Sula and I'm delighted to welcome you all to our 20th Annual General Meeting. I'd like to start by thanking you for your support and for sharing our dreams and our vision.

- Your trust and your investment in Sula has made it possible for us to achieve one of the most successful IPO 's in India and in fact in the world over the past one year and my friends I do believe that these are just the first few steps in a great journey ahead for all of us and all of you. I'm proud of the journey we've embarked on over the past couple of decades when I founded Sula way back almost 25 years ago now. I had a vision – a simple vision to make quality Indian wine and build a proud Indian brand and that is exactly what we have achieved with the Sula brand being one of the most remarkable success stories of all time for an Indian premium Alcobev brand. FY23 has been a landmark here for us on many fronts apart from the successful IPO. In difficult times, we achieved an all-time high EBITDA of over ₹160 crore and an unprecedented EBITDA margin of over 29%.
- Our net revenue grew approximately 22% to ₹556 crore. Our own brands have been the stars of the show now accounting for over 86% of our revenue and this is the journey ahead for us. Our experiences team has conducted over 1.7 lakh wine tastings across the country, an impressive 80% growth from the year before. I'm not sure how many other wine companies would have achieved this kind of feat and this is something that we are very, very proud of and it's a huge focus for us to get to have a simple wine tasting for lakhs of potential Indian consumers.
- Our wine tourism revenue grew approximately 30% and we continue to be one of the most visited vineyards in the world and we place where most Indian wine drinkers taste their first glass of wine. In fact, I always say that we are probably that place and I'm sitting right here in Nasik overlooking our beautiful vineyards. We are that place where perhaps more people taste their first class of wine than any other place on earth. Sula has been at the forefront of fostering a positive wine culture in India ever since we sold our first bottle in the year 2000.
- Since then, we have responsibly led the industry by proactively engaging with our consumers via wine tastings, vineyard and wine retours, and by our presence in various marquee events across the country. Our own wine tourism offerings provide an immersive experience at our estates in Nasik and Bangalore. The portrayal of wine consumption by lead characters in popular OTT shows like Mirzapur and Indian Matchmaking has contributed to increased awareness and acceptance of wine in Tier 1 and Tier 2 cities across India. Sula has always been ahead of the curve. We've always been pioneers whether it's about bringing popular grape varieties to India or by leading innovation in tropical wine making and investing all the time in sustainable business practices.
- Our product portfolio today covers a diverse range of wines each thoughtfully crafted to cater to different palettes occasions and budgets and we continue to enhance our portfolio by adding new varieties and new brands all the time. My own entrepreneurial journey with its ups and downs has been immensely rewarding for myself and I hope as well for our entire Sula family. Our employees, team members, investors, directors, farmers, and all our stakeholders who have partnered with us overtime as well as consumers.

- We will remain committed to exploring horizons by investing in new vineyards and wineries, expanding our presence in both domestic and international markets, increasing our digital presence, which is a huge focus for us with new marketing campaigns, and continuously innovating to meet the evolving preferences of our consumers. We are also taking proactive approaches to mitigate the climate change challenges especially today as I look out and note that the monsoon has not yet arrived, I'm not sure those of you who are in Mumbai whether you're seeing the first rains, but definitely here in Nasik we are still waiting. The climate change challenges are immense ahead of us, but until now Sula has shown our ability to meet them head on and we will continue to work on that strongly.
- Sula will continue to grow and thrives. I would like to express my deepest gratitude to each one of you for your unwavering support and trust. A special mention to all our grape growers from Maharashtra and Karnataka who have been with us all the way and to the state governments of Maharashtra and Karnataka who have wholeheartedly supported this important Agri industry that has so much potential today in these States and in India. I am confident that Sula has a bright future. I believe the best is yet to come for Indian wine with the Sula Sun firmly leading the way. Thank you.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. I now invite registered shareholders to ask questions. We will respond to all the queries in the end when all the speakers have spoken. I would request each of the speaker shareholders to switch off your mobile phones or put them on silent mode in order to avoid any disturbance or background noise. Our first speaker shareholder for today is Mr. Ayush Gupta.
- **Mr. Ayush Gupta – Shareholder:**
- Hello, am I audible Sir?
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Yes.
- **Mr. Ayush Gupta – Shareholder:**
- Sir, I'm Ayush Gupta and welcome you Chairman Sir and all board members from Delhi. This is our first AGM since listing. I want to thank you as our shares have also give us good returns. Everything about the company was briefed nicely in the Chairman's speech. There is nothing left to ask after that. Sir, how many new products are we going to launch in the current and next financial year? How are our resorts working? Sir, I'm a shareholder, I would like to know whether you will arrange discount coupons for the people who are joining this meeting as speaker or anything while we go to our resorts? Sir, I have full trust on you and your leadership. Sir, I had a small request, are we going to make any dividend policy? Sir, I'm your shareholder even today and will remain in the future also, and will be in touch via

the meetings. I want to thank the secretarial team who gave me an opportunity to join this meeting. Thank you.

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- Thank you, Mr. Gupta. Many questions in one question. I'll try to answer. In terms of launching of new brands, you know in the last five years Sula has launched many, many new brands. At this point, we don't have a lot of brand launches ahead in the next six months, but after that definitely, what we would like to do at this point is to consolidate the sales of all those brands that we have launched and to deepen that is really the focus of the company right now to deepen sales rather than broaden with even more brands. You can imagine today I think we have something like 45 brands and so it starts to become more and more complex in terms of supply chain, however, Sula has always been at the forefront, we are always the Pioneers with new varieties etc. In terms of discounts, I'm very happy to inform all of you that there is in fact a plan going on where anyone, any of our shareholders coming to our vineyards will enjoy some special privileges that is in the works. Our CEO will know a little bit more about that, but we will be unveiling that very, very shortly. In terms of the last question was Ruchi just remind me.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- On the dividend policy.

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- The dividend policy, we do have a stated dividend policy which you will find on our website. Right now, our stated dividend policy is to pay up to 80% of profit after tax out as a dividend, that is not a necessarily fixed forever. There might be in fact some even further improvements coming that might make shareholders happy at some point in the future, but that is our state independent policy for the time being. Thank you. Next please.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Thank you. Our next speaker shareholder is Mr. Dnyaneshwar Bhagwat.

- **Moderator:**

- Ma'am, the said person is not connected in the meeting.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Alright. The next speaker shareholder is Mr. K Bharat Raj.

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- We can't hear you, Mr. Bharat Raj.

- **Mr. K Bharat Raj – Shareholder:**
- Sir, can you call me next time, Sir. I'm in another meeting Sir. Can you please once again call me next time.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Can we move on to the next person please.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Our next speaker shareholder is Mr. Bittu Varghese.
- **Moderator:**
- Ma'am, the said person is not connected in the meeting.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Our next speaker shareholder is Mr. Manjit Singh.
- **Moderator:**
- Mr. Manjeet is also not connected.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Next up, we have Mr. Manoj Kumar Gupta.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Hello?
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Hello.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Can you hear me?
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Yes Sir.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Yeah, good morning respected Chairman, good morning our beloved and inspirable MD & CEO, and our founder, Mr. Samant and just now I've heard - first time I've heard a you are very, very short speech by a founder and who has founded a big world renowned company, who has given a only 3 minutes speech and he has

covered a lot of things in his 3 minutes speech and I am very happy to hear his speech about the past, present, and future. He described in his three minutes speech about the IPO launch, how he founded the company, so I thanks to him. I wish him - I Manoj Gupta have joined this meeting from my residence Kolkata. I'm also lucky one to get the shares in IPO and I'm very thankful to your secretarial department and their team, Company Secretary's team that they have helped us to join this meeting through VC, but I've tried to contact the Company Secretary six times. I've got only one reply from a lady that she is not in the office, she is not in the office, so I told her that okay I will call again, but I thanks to the Company Secretary and her team that they help us to join the meeting and Sir you are paying a good dividend and CSR you are paying the ₹5.29 million CSR, so think about other part you have done in Maharashtra why not in other part of the country to see under the CSR to some CSR about the women empowerment, education, and other things, and make some donation to vaccination and how you face the competition. There is a big competition in this country because our country is 140 crore population and near about 25% peoples are using liquor. So, how you face the competition from a United Spirit and other companies, so how you face the competition. Resorts already one shareholder has asked you and you have says that we will announce something. I frequently visit Trimbakeshwar. So, my son asked me that there is a mention a photo in your balance sheet that resort, so we also want to stay there with family, so if you can allow some maximum discount to the shareholders and what's your future plan Sir. On page 88, permanent employees are 533 out of that 90 female, 433 males. Sir, why are you not inspiring the females to join your company, increase the number of females as employee, because our beloved Prime Minister is giving a chance to the females. Our finance minister is female, our President is female, so you should also inspire the females to join your company as key post or executive post or any post, so inspire some females and try to improve the women empowerment. Sir, on page 189 expenses, some head of expenses has gone up, so how you will reduce the expenses and have you any plan to bring a new plant in Northeast because Northeast is growing up after become the NDA government in this part Assam, Tripura, Meghalaya is growing up. So, have you any plans to launch or acquired a plant or bring a Greenfield project in this part also because your plant is in Maharashtra and Karnataka, so think about that. I will take one or two minutes more ma'am, just a minute and your 3.89 shares

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- Is there anyone doing time keeping on this because I do believe - Mr. Guptaji, we have a lot of shareholders here, you've asked lot of questions. Let me just answer your whatever you have asked now.

- **Mr. Manoj Kumar Gupta – Shareholder:**

- Just last question, Sir just last question. Physical share 3.89% to inspire the peoples to dematerialize that shares and that will be helpful for the company and the investors.

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Okay, sure. Thank you. So, Guptaji nice to hear from you, you have asked lots of things. I will try to answer some of them. In terms of your request to our secretary, we will definitely take a look at that. We do intend to be a proactive and respond within good time to all our shareholders, we'll take a look at what might have happened over there. In terms of the Northeast, we must say that we are always evaluating new areas. Right now, our wineries are in Maharashtra and Karnataka, which makes the most sense, however, you're absolutely right, there are other very interesting areas within India, there's the Northeast, there's the foothills of the Himalayas, and we are always evaluating, we will certainly keep your recommendations in mind. In terms of Kolkata, we would like to request you as a shareholder to do your bit in increasing wine consumption in Kolkata, which is a little bit behind the rest of the metros and we do believe that given the culture and given the sophistication of the residents of Kolkata, we should be sharing much more wine.
- **Mr. Manoj Kumar Gupta – Shareholder:**
- Sir, try to make a visit to Kolkata.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- We will do, Guptaji, absolutely. I am due a visit, we will do that, I will do that. In terms of facing the competition, look we are not - we don't consider that to be competition. We know our own road ahead, wine at this point is not necessarily in competition with spirits. I'm very happy to say that there are many new consumers every year lakhs of 10s of lakhs of young people are coming into the legal age for drinking alcohol and increasingly many especially women you talked about females, many of our consumers are women and they are maybe no longer wanting to drink the whiskey that they're dad drank and so we are in fact you know making our own inroads and we do expect a double digit growth ahead. So, I'm not so worried and concerned about what United Spirits are doing. Thank you. I hope I managed to answer most of your questions. Let's move on.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. Our next speaker shareholder is Mr. Sachin Singhal.
- **Moderator:**
- Ma'am, Mr. Sachin is not connected in the meeting.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Our next speaker shareholder is Ms. Vasudha Vikas Dakwe.
- **Ms. Vasudha Vikas Dakwe – Shareholder:**
- Hello, can you hear me, Sir?

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Yes.
- **Ms. Vasudha Vikas Dakwe – Shareholder:**
- Yes. Thank you, Sir. Very good morning, respected Chairman Sir, Board of Directors, and my fellow shareholders, myself Vasudha from Thane. I would like to congratulate our Company Secretarial team for sending me the soft copy of the report well in advance, which itself is clear and transparent. Further the opening speech given by the chairperson is also very informative. I would like to ask, on page number 57, our foreign earnings is less than our foreign exchange outgoing, can you please highlight further. I would like to congratulate that our EPS is increase comparatively to last year's. Further, I would like to ask can you arrange a factory visit after Diwali if possible? With this, I support all the resolution. Thank you very much and wish the company all the best for coming financial years. Thank you, Sir.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Thank you, Madam, nice to hear from you, and thanks for supporting all the resolutions, very appreciated. In terms of foreign outgo, during the COVID time exports did suffer, but I'm very pleased to say that FY23 in fact saw a very good uptick in our exports and we do expect that moving forward exports should increase even further, Indian wines are starting to become famous across the world, and you know Sula is getting more and more importers in different countries across the world, so we do hope to see some good increase in our foreign exchange earnings. In terms of EPS, thank you very much, very much appreciated. Winery visits and tours, yes, we are right now are formulating a visit policy for our shareholders as I said to the gentleman just before. So, that just look for some information on that possibly on our website and it will give you more info on how you'll be able to come, there will be some complementary and discount offers for our shareholders. Thank you so much.
- **Mr. Chaitanya Rathi – COO, Sula Vineyards Limited:**
- I would just like to add, on our website under the investor relations page there is a link which you can click on and get details to getting discounts for visits to our vineyards in Nasik as well as in Karnataka.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- I would like to encourage all of you to please visit us. We are today one of the most famous wine tourism destinations in the world and it would be great for you to see in person what your company is doing. Thank you.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. Our next speaker shareholder is Mr. Yusuf Yunus Rangwala.

- **Mr. Yusuf Yunus Rangwala – Shareholder:**
- Sir, am I audible?
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Yes.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Yes, please.
- **Mr. Yusuf Yunus Rangwala – Shareholder:**
- Hello Sir. I'm very supporting these regulations Sir. very good morning, Sir. Sir, am I audible?
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Yes.
- **Mr. Yusuf Yunus Rangwala – Shareholder:**
- Yes, Sir. I'm very happy with our company share department and team. Sir, my good wishes. I am the shareholder from the public issue. Sir, my good wishes. Sir, as you mentioned for factory visit, Sir my humble request if you arrange a factorial from Bombay, Sir coming to Nasik is very far, this is my humble request and nothing more to add. We are having 45 different brands as you mentioned and I'm very happy. In which country our product exports I would like to know. Our product exported in which country, where in Africa, United States, or whether it is in Canada, I would like to know, which consumer products are exported Sir and what order we are getting from exports Sir and how many people are working with us Sir. What are the number of staff at present and nothing more to add. Sir, I wish our company good luck and I support - I'm very happy to see our excellent Company Secretary. She is a very young, hardworking, and my full support for this Madam, she's a very hard working. I've been very lucky to have excellent Company Secretary, nothing more to add. My good wishes are there. If possible, Sir you arrange a factory visit and send us some free product offer discounts, free product so that we can enjoy Sir, this is member request Sir. Thank you very much. Jai hind Sir. I end my speech here only, Sir.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Jai hind. Yusufji, thank you for your kind words for our Company Secretary. She is in fact very hard working. We do have we - from being a private company to becoming a public company, we move from having you know 20 shareholders to over 2 lakh shareholders, so you can imagine that the secretarial department today is working all out and hopefully keeping you as happy as is possible. Which countries we are in, very pleased to say we're in the US, Germany, Japan, UK, UAE, so these are some of

our important export markets. In terms of the factory visit, I'm not sure that we will be organizing a shareholder visit, but what I can guarantee you is if you follow the link that our CEO Chaitanya Rathi mentioned earlier, you will get some nice things waiting for you on the other side, so it could be worth your while. Bombay to Nasik, you can say it's far, 180 kilometers, but I think these days there are so many options. You know yesterday I took the Vande Bharat express from VT in 2 hours and 40 minutes I reached from VT to Nasik Road Station. So, I think that you know from that point of view you know Indian rail - our rail transport is getting better and better, trains are getting better and better, so you always have the option to take a train and there's so many nice buses etc. coming up to Nasik, so please come and we will take care of you once you reach this site. Thank you so much.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Thank you. Our next speaker shareholder is Mr. Ankur Chanda.

- **Mr. Ankur Chanda – Shareholder:**

- I'm audible?

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Yes Sir.

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- Yes.

- **Mr. Ankur Chanda – Shareholder:**

- Okay and good morning to all of you. Sir, I wanted to know on our page #278, there are commission expenses on the name of Mr. Chetan Desai and a compensation of management person Rajeev Samant ji and 3 more people. So what is that sir, why is it given to them, just explain a little about it, Sir?

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- Yes, very good question. I'm the CEO of the company, so I'm the one who leads the company. 100% of my job and responsibility is in leading Sula. So, this compensation is basically for the work that I do in leading your company. And, our Chairperson provides us with invaluable advice, guidance, and he's the Chairman of the board, and this compensation is for that terrific work that Chetan bhai does. I would like to thank... in fact, you've given me an opportunity to thank our directors who provide such great guidance in this last one year or so. Their guidance and support has been invaluable in making us a very successful IPO and in helping all of our shareholders make some, I would say, fairly sizeable profits in the first 6 months. So, thank you for your question, and it's a good thing that I get a chance to explain that.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Thank you. Our next speaker shareholder is Ms. Celestine Elizabeth Mascarenhas.
- **Ms. Celestine Mascarenhas – Shareholder:**
- Respected Chairmand and Founder and CEO Mr. Rajeev Samant, members of the board and my fellow shareholders, I'm C.E. Mascarenhas, speaking from Mumbai. First, I thank the Company Secretary and her team for sending me an Annual Report and also for registering me as a speaker and for giving me the Zoom link. Thank you very much. The Annual Report is very informative, and the full picture of what is happening in our company for the last 20 years, is good and enriching. And, at the same time, it's adhering to all the norms of corporate governance. Congratulations for all the awards and accolades on page 44. Very good CSR work, I really appreciate it. I would like to know, 60% share in the Indian grape thing. Other than grape, are you using wine from other crops or whatever it is called? What margin do we enjoy? Who is our main domestic competitor? Do we get more margin in export than import, or domestic or international? Do we have some small packing in wine which will be affordable to the rural places, like we have in HUL? What is the 32.50 for organic and inorganic 32.53 like we did in York in Maharashtra and heritage winery in 33.05? Today I just got information, exciting collaboration of Interglobe Aviation with the company to exclusive curated holiday experience for all Nashik bound customers. Sir, I want to know how much revenue you would be getting in this? Just today I saw a small write up about Interglobe. And, are you tying up with Tata or something like that? I don't know whether Akasa has already set up... I don't know whether it has a destination. Goa, I went with Akasa, but Interglobe Aviation fare was very very high. I support all the resolutions. I wish my company all the best. May it grow and wish to see 34.06, many many years back, that's no more. So, I would like to know. I have some relative also who is wine there, so I'd come that time. And, my husband wants to say two lines, Mr. Mascarenhas.
- **Mr. Aloysius Mascarenhas – Shareholder:**
- I'm also a proud shareholder of our company. I'm very happy to be associated with our company, and it's growing leaps and bounds, both in India and worldwide. I'm very happy about it. Seeing is believing. So, I want to share the happiness of our company in the growth of our company.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Thank you so much.
- **Mr. Aloysius Mascarenhas – Shareholder:**
- So, I wish you and all your board members, and more importantly, all the employees, all the very best in the years to come.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Thank you so much. Mr. and Mrs. Mascarenhas, your kind words are very appreciated. I'll just try to answer some of your questions. You asked about wine from other fruits, it would be fruit wine. Generally, you don't make wine from

vegetables. So, it would be fruits. In the world of wine across the globe, something like 95% plus of wine is made from grapes. Less than 5% is made from a few other fruits. Plum wine is something prominent in Japan. So, we don't... in India, the scenario is quite the same, something like 92% plus of wine is made from grapes. So, that's really our job, to make the best possible wine from grapes. We have no plans at that point to make wine from plums or jamun or anything like that. We do believe that the grape fruit... not grapefruit, but the grape fruit makes the best wine by far on the planet.

- In terms of competitors, yest there are a few other wineries. I'm very pleased to say that, of course, we have a majority share of the wine market, and in fact, our share has, over the last 5-6 years, been steadily increasing, and especially at the higher end. So, today when you talk about our 55% approximate market share, when you talk about the most expensive i.e. Rs. 1,000 plus, our share starts going north of 65%. Though yes, we do have some competitors, Sula, we know what we have to do, and we are steadily executing that. So, we're not so worried about them. Though I must tell you, we welcome good quality competition. If we have more wineries out there making good quality wine, concentrating on it and spreading the message of wine, that's the kind of competition, in fact, we welcome. We should never think of being alone in anything. A little competition is always good for us.
- In terms of our margins, our domestic sales enjoy a better margin than our exports. Exports tend to be a very competitive... there's a large cost doing exports. I mean, just to go abroad to visit and attend one trade fair, costs lakhs of Rupees. So, we are very much... I would say, if you ask me where would you want to sell more wine, I would say the focus of Sula is to sell more wine in Moradabad rather than in Manchester. That, I would say, would be our focus.
- In terms of acquisitions, thank you for noting that we've had a couple of successful acquisitions in the last couple of years. At this point, I don't have anything to inform in terms of future acquisitions. However, we always keep an open door and we keep an open mind. We are always open to any conversations. So, if you have a friend who is making some good wine and is looking for someone to tie up with, we're always happy to talk to them. Thank you Mr. and Mrs. Mascarenhas.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. Our next speaker shareholder is Ms. Karishma Singh.
- **Ms. Karishma Singh – Shareholder:**
- Hi, good morning all. Hi Rajeev. I'm Karishma Singh. I'm one of the oldest shareholders of the company, and I just wanted to say, I've witnessed not only the growth of Sula Vineyards Ltd, but the entire wine industry in India being pioneered by Rajeev. He's been consistently doing an amazing job, and the financials of the company are excellent. But I also wanted to touch upon the quality of wines. I think the quality of wines you'll produce are amazing and on part, and even better than most wines which we get worldwide. And, Sula, as we all know, is a market leader, is rapidly growing. You'll have conquered more than half the market share. And with

you, of course Rajeev and Chaitanya and Ruchi, the company is going to even greater heights. And of course, the attractive dividend which it pays its shareholders is just the icing on the cake. So, I just wanted to wish you and all the shareholders an amazing future. Yeah, thanks Rajeev.

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- Karishma, it's so nice to see you on this call. I would like to share a story here with all our shareholders that, in fact, Karishma Singh's grandfather, Mr. Chudasama, was our neighbour when I was growing up. And in those days when I started Sula, there was no venture capital and there was no private equity. So, I just came up with this slightly crazy idea, I would say. And you know, all our friends and family, they said, yeah, but Rajeev is someone who we think is smart, he's going to Stanford University, we believe in him. So, money was not so easy to come along in those days, but they all came up with a certain amount, they matched my father, and that's how we started Sula. And, that money was put into the company in something like 1996, and Karishma, the granddaughter of one of the original shareholders of Sula, is still very much... she has inherited some of those shares and she's still a shareholder, and it is lovely and great to see you as part of the journey. Thank you. Our team thanks you for your kind words. We look forward to another 30-40 years of you and your family being our shareholders.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Thank you. Our next speaker shareholder is Ms. Pallavi Haldar.

- **Ms. Pallavi Haldar – Shareholder:**

- Hi, good morning Rajeev, good morning respected board of directors and my fellow shareholders. First of all, I'd like to congratulate the company on its terrific achievements through the past years. I'm an ardent wine lover, and Sula is my favourite brand, so to say. I would like to understand, what is the company's focus area or some of the big themes that Sula will be working on in the coming years?

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- Thank you Pallavi. I think, from our point of view, lot of the pillars that we have been talking about, even when we went into IPO, remain the same. So, the biggest theme for us is our own brand. So, that's something that, over the last few years, we have been moving away from very big imported products and third party brand portfolio, and being much more focused in those brands just with what's selling well and making some money. But, in creating our own brands and selling those, that's where Sula has found the most success, and that's what we are going to continue to do. And within those brands, concentrating on the more premium brands, so brands sort of above Rs. 700-800. Though, I must point out, we are the market leaders in every single segment. So, even at Rs. 300 wine, Sula is the market leader. But, that is not our focus. Our focus is on quality wines made from wine grapes that cost more than RS. 700 a bottle, and increasingly more than even Rs. 1,000, and make those in a world-class way. That is another focus of ours.

- Another focus of ours is this fantastic country of India, where we do see this as being the most exciting growth market for wine in the decades to come. So we are very focused on increasing penetration, awareness and consumption within this country; exports are a bit of a secondary focus.
- We are also very focused on wine itself. So, we are not, at this point, looking at craft beer or craft spirits, we are just wine people, atleast for the time being. And, when we do all of this, we do it with a huge focus on sustainability. As I look out here, not only are our roofs plastered with solar panels, but we have another fantastic structure coming out to give a covered walkway when you enter this beautiful campus of ours, and it's going to be covered with beautiful gleaming new solar panels. So, we have one of the biggest installed base of renewable energy of any winery in the world. And I'm very happy to say, that we get something like 55% of our energy from our own captive renewable energy solar panels mostly. These are some of the our big themes. A big emphasis on digital marketing, and a big emphasis on being pioneers. For instance, we pioneered wine in a can. We were the first ones with our Dia brand in a can. That is something that we have found very interesting. And look out in that space, there's some interesting and exciting developments ahead. Thank you so much Pallavi.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. Our next speaker shareholder is Mr. Nirjay Singh.
- **Mr. Nirjay Singh – Shareholder:**
- Good morning Chairman sir, good morning board of directors and Rajeev. Rajeev, just touching upon the subject, because I've heard lot of business issues. Along with the stupendous success of the IPO and the capital gain which everybody has made, I am a very proud shareholder in respect of the social capital which Sula generates in terms of its thousands of farmers, their families, their agriculture area. And, one thing which I would like to have specific and more information on, is about how is Sula's engagement with the farmers, and how are we assisting them in their challenges with the climate change? At the same time, that would help us in securing our raw material, which is the most ingredient/integral part of our quality of wines. So, I would like to have some more information on this subject, Rajeev.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Thanks Mr. Singh. Thank you for appreciating some of these points. One of the things that I'm proud about, and all of you as shareholders should be very proud of this company, is that, we came up in an area where there was zero formal employment. And when I say zero, the village that's closest to our first Nashik winery, one person in that village had a day job, and that was pumping petrol at a gas station close by. And, that was the only person in that entire village who has any sort of a job. And, that's where I landed up in the mid-90s and set up Sula. And today, this area has been totally transformed. Most of our employees here in these rural areas tend to come from disadvantaged backgrounds. Something was talking earlier about diversity, and they were talking about women. We do have round about 100 female

employees out of approximately 700 employees. What's not so well known, is that Sula has one of the highest proportion of scheduled caste and scheduled tribe employees of any company in India. And this is not a fact that comes out so much in our literature, but it is something that I am personally very very proud of, and this is the way that it works.

- So, if you look at where our first winery is, if you look at our second winery, our main winery today, Dindori has always been a bit of an underprivileged district, but now today coming up really fast. So, this is the thing. And, it's really interesting, Dindori has really poor soil. The original grape growers, all were in very rich valley bottom clay rich soil for table grapes. In fact, wine grapes require a different... hilly rocky soil is the best soil. So, these poor lands where you had sort of subsistence farmers, these are the lands that are today coming to the fore as being the best land for wine grapes. You can imagine what kind of a social and agri revolution that's bringing about. In terms of climate change, we do work with our farmers. Lot of things that we do to mitigate, one of the things that we realised, is that the monsoon is declining. Another fact is that the monsoon is getting more and more delayed. The onset of the monsoon is getting delayed, and we do not follow the IMD forecast so much, we have evolved our own forecast. We find it's not possible just to rely on one party expert for forecasts. So, we come up with our own, based on our knowledge of what has been happening over the last 20 years. We do very detailed R&D on that. And the monsoon is being delayed. So, you all notice that what used to be sort of September 15 ended, today normally the monsoon ends in October, and quite often there's heavy rain even going into November. So all of these things we've changed our practices, we've delayed our pruning, we've delayed our harvest. Lot of stuff going on there to do that.
- In terms of raw materials, we see a great road ahead. Just to remind, there's 1 lakh hectares of table grapes in the state of Maharashtra alone. Wine is barely 1,500 hectares, and wherever you grow table grapes, you can also grow wine grapes. So, we do have terrific relationship with our farmers. We are pioneers of so many things. We are pioneers of the long-term contract with farmers, assured prices, assured pickup. We've never really had a legal dispute with any of our farmers since day 1. We have a great reputation and we have a line of farmers out the door wanting to plant for us. So, I would say that our raw material supply is ensured for decades to come. Thank you.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. Our next speaker shareholder is Mr. Sameer Kazi.
- **Mr. Sameer Kazi – Shareholder:**
- Good morning to Mr. Rajeev Samant, the board and all my fellow shareholders. Sometime back, Mr. Rajeev Samant, you were talking about the climate change, rains not yet being there in Nashik and all. So what is Sula doing to fight against global warming and to protect our mother earth.
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- I've already touched on this in a couple of ways. One, I mentioned that fact of our commitment to sustainability, I mentioned how much renewable energy we're doing. I've also signed on to the most prominent winery group in the world for climate action, the IWCA (International Wineries for Climate Action). We are all committed under the IWCA charter to net zero by the year 2050. That's not going to be easy, but we are definitely working on it in a big way. Apart from renewable, simple things like, almost all vehicles we've bought into our company in the last one year have been e-vehicles. We provide free charging using our renewable energy for all our employees when they come to the factory. We also encourage our employees to buy e-bikes rather than fuel bikes; we want to get away from fossil fuels. India doesn't really produce any of our own petrol, or very very small part of it. And, until we are free of this yolk of the fossil fuel and oil, I believe we will never be truly free. So, we are definitely part of that.
- In terms of mitigating climate change, I just answered Mr. Singh about some of the things that we're doing. Also, in terms of choosing the varieties that work best in these days when the climate is getting hotter. So very clearly, in Nashik also, the days are getting hotter, the nights are getting warmer, you have to look for varieties that are doing better in warmer climates. You got to look for varieties that you got to pick a little bit earlier and retain freshness and the wine is still a really good wine. So, lots of things going on, lot of R&D, and we are in the forefront as far as India goes. Thank you so much.
- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. Our next speaker shareholder is Mr. Yogesh Bhusare.
- **Mr. Yogesh Bhusare – Shareholder:**
- I live in a village called Vinchurgavali in Nasik taluka. I want to thank Sula Wines from the bottom of my heart. Sula takes the grapes from lots of farmers in our neighborhood villages. In the current difficult time for farming business, Sula Winery stands strongly by the side of farmers. They give permanent income source which is very important for the farming business to survive, which is a very big contribution and therefore I really want to thank Rajeev Samant Sir and all. I have already got answers for few questions. My one question is, in the future what are the steps taken by you to increase the land for cultivation and how much land will you increase in order to increase the income in the coming five years?
- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**
- Yes, thank you. Yogesh's question is about what are we doing for increasing our land under cultivation of our grapes? I'm very pleased to say that, 2 years ago, in the year 2021, we had our biggest ever plantation of new vineyards close to 600 acres of new wine grape vineyards. Last year the number was closer to over 250 or so. So, over 2 years, we've added 800 acres of new wine grapes, which is something like almost 1/3rd of the existing vineyards. So, you can see that we are very committed to increasing our vineyard acreage by double-digits, say 15-20% every year, i.e. the wine vineyards. We also buy a lot of table grapes for some of our cheaper wines, and

this also... the quantity of table grapes that we are buying is also increasing by double-digits every year. So, I think that the grape growers of Karnataka and western Maharashtra are very happy with that. We have a very good relation with the Grape Growers' Federation here in Maharashtra; we work very closely with them, the Draksha Bagaitdar Sangh. And, we're all working on even more wine grapes coming up in the years ahead. Thank you.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**

- Our last speaker shareholder is Mr. Vaibhav Pandurang Karad.

- **Mr. Vaibhav Karad – Shareholder:**

- Good afternoon Rajeev sir and good afternoon everyone. I'm Vaibhav Karad. I'm from Nashik itself, so I won't ask many questions about Sula because I have seen Sula grow. And, I'm also their distributor, because of which I have also purchased their shares. I know where they are and where they're heading. And, one of the things I want to share is, I myself am from the hospitality industry. When I was on cruise, I used to be in US for few years. I have travelled the world in my work. So, I have seen that there is one and only one wine from Nashik, rather India, which is Sula Wines. And, it is very famous worldwide. I have just one thing to ask. I know about Nashik, which is famous for two things in the world. One is the Kumbh Mela, which happens once in 12 years, and the second thing is Sula Wines which we always get to see. What are you doing to boost tourism? There used to be a Sula Festival after the Kumbh Mela, which you'll have stopped now, I don't know why. It is very famous, because people from all around the world come here. I myself have attended it every time. And the other thing is, apart from Maharashtra, I know that you'll have another property in Karnataka. What are you'll doing for tourism and hospitality development for India as a whole? In winery, yes, you're the boss!

- **Mr. Rajeev Samant -- Managing Director & CEO, Sula Vineyards Limited:**

- So, thank you and some good insight from you and thank you for your questions. See, we as such, are not a tourism development corporation. We have to do what makes the most sense for us to market our own wines. You will probably be aware that our campus here, where I'm sitting her today at Nashik, is possibly the most visited vineyard on earth; something around 3.5 lakh visitors in the last year. We here already are so crowded on the weekends. You're right that Sula Fest was something that everybody enjoyed. But I must say that, in later years, Sula Fest became little bit of a victim of its own success, and lot of hurdles in the way, and not enough support in something that's so difficult to do when we have to take care of the security, the safety of so many people, the traffic control; it became a little bit too much for us. So now we do promote music. We have a lot of musical occasions at our vineyards all the time, but they tend to be smaller occasions. I'm not sure that I can assure you that Sula Fest is going to come back. However, having said that, that is a topic that is always under discussion. Also, always under discussion is how can we expand our hospitality footprint in a way to bring more people into wine? That's something that's a continuing discussion. You'll be happy to hear, that we are just

adding, in these few months, 30 more rooms here at Sula, to add to the 70 or so rooms that we already had. So, we're going up to a 100 keys here. We have some good plans to also further develop our property just outside Bangalore, and we do believe that there is scope for having more hospitality wine tasting rooms, not only at the vineyards, but at the other places, bringing it closer to the consumer and not always making them come out to our vineyard. So, please stay tuned, there'll be more news in this space in the months to come. Thank you so much.

- **Ms. Ruchi Sathe – Company Secretary, Sula Vineyards Limited:**
- Thank you. With this, we have received all the comments and questions from the registered speakers. I would like to place on record my appreciation to the board of directors for their continued support and guidance. I would also like to thank all our employees, business partners, shareholders, and all other stakeholders, for their support and faith in the company. I now announce the meeting as concluded. Thank you everyone.

- ***END OF MEETING/E-VOTING BEGINS***