



**May 23, 2026**

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**BSE Scrip Code- 533267**

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The Manager  
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**NSE Scrip Symbol: CANTABIL and Series:  
EQ**

Fax No.: 022-26598237/38

**Sub: Transcript of Investor Conference Call dated 19.5.2026**

Dear Sir/Madam,

With reference to the captioned subject, we hereby enclose the transcript of Investor Conference Call held on May 19, 2026 at 16:30 Hrs (IST).

You are requested to take the same on record.

Thanking you,  
Yours faithfully,

**For Cantabil Retail India Limited**

**(Poonam Chahal)**  
**Company Secretary & Compliance Officer**  
**FCS No. 9872**

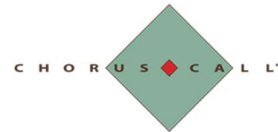
**CANTABIL RETAIL INDIA LTD.**



“Cantabil Retail India Limited  
Q4 and FY26 Earnings Conference Call”

May 19, 2026

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**MANAGEMENT:** **MR. VIJAY BANSAL – CHAIRMAN AND MANAGING DIRECTOR – CANTABIL RETAIL INDIA LIMITED**  
**MR. DEEPAK BANSAL – WHOLE-TIME DIRECTOR – CANTABIL RETAIL INDIA LIMITED**  
**MR. BASANT GOYAL – WHOLE-TIME DIRECTOR – CANTABIL RETAIL INDIA LIMITED**  
**MR. SHIVENDRA NIGAM – CHIEF FINANCIAL OFFICER – CANTABIL RETAIL INDIA LIMITED**  
**MS. POONAM CHAHAL – COMPANY SECRETARY – CANTABIL RETAIL INDIA LIMITED**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Cantabil Retail India 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.

Before, we begin a brief disclaimer. The presentation, which Cantabil Retail India Limited has uploaded on the stock exchange and their website, including the discussions during this call, contains or may contain certain forward-looking statements concerning, Cantabil Retail India Limited business prospects and profitability, which are subject to several risks and uncertainties, and the actual results could materially differ from those in such forward-looking statements.

Should you need assistance during this conference call, please signal an operator, by pressing star then zero on your touch-tone phone. Please note, that this conference is being recorded.

I now hand the conference over to Mr. Vijay Bansal, CMD, Cantabil Retail India Limited. Thank you, and over to you, sir.

**Vijay Bansal:** Good evening, everyone. On behalf of Cantabil Retail India Limited, I extend a warm welcome to all participants joining us for the Q4 and FY26, Earnings Conference Call. Joining me today are Mr. Deepak Bansal, Whole-Time Director; Mr. Basant Goyal, Whole-Time Director; Mr. Shivendra Nigam, Chief Financial Officer; Ms. Poonam Chahal, Company Secretary; and our Investor Relations Advisors from Marathon Capital. We trust, you have had the opportunity to review our Q4 and FY26 results.

The earnings presentation and financial statements are available on the stock exchanges and the company website. Financial year 2026 was another landmark year for our company, marked by record performance and sustained momentum across our product portfolio.

Strong, brand record, expanding market presence enable us to deliver industry-leading growth and highest annual profit, despite a challenging global environment, characterized by geopolitical uncertainties, supply chain disturbance and volatile input cost.

We also achieved our highest-ever EBITDA, reflecting the strength of our operating model, disciplined cost management, and scale efficiencies. Over the last 5 years, we have consistently delivered strong results with CAGR 22% and a PAT CAGR of 26%, reaffirming the effectiveness of our long-term growth strategy and focus on sustainable value creation.

Our resilient business model supported by prudent financial management and a strong balance sheet positions us, well to navigate near-term uncertainties while continuing to invest in growth opportunities.

I now hand over the call to Mr. Shivendra Nigam for giving an update on the financial and operational performance. Thank you.

**Shivendra Nigam:** Thank you, sir, and a warm welcome to everyone. Now presenting the numbers on a stand-alone performance highlights for FY26. Revenue from operations for FY26 grew by 18% to INR852.6 crores as compared to INR721.1 crores in FY21.

EBITDA, for FY26 grew by 29% to INR264.3 crores as compared to INR204.8 crores in FY25. EBITDA margins for FY26 improved to 31% as compared to 28.4% in FY25. Our PAT margin for FY26 grew by 28% to INR95.8 crores as compared to INR74.9 crores in FY25. PAT margins for FY26 improved to 11.2% as compared to 10.4% in FY25.

Coming to stand-alone performance highlights for Q4 FY26. Our revenue from operations for Q4 FY26 grew by 15% to INR253.5 crores as compared to INR219.8 crores in Q4 FY25. Our EBITDA for Q4 FY26 grew by 34% to INR78.1 crores as compared to INR58.4 crores in Q4 FY25.

Our EBITDA margins for Q4 FY26 improved to 30.8% as compared to 26.6% in Q4 FY25. Our PAT for Q4 FY26 grew by 30% to INR29.2 crores as compared to INR22.5 crores in Q4 FY25. Our PAT margins for Q4 FY26 improved to 11.5% as compared to 10.2% in Q4 FY25.

On the operational front, we continue to scale our efficiently with a total of 652 stores across the country, covering a total retail area of 9.15 lakh square feet. These results affirm the strength of our business model and our ability to drive consistent high-quality growth.

We may now begin the Q&A session. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Abhi Jain from A.J. Capital. Please go ahead.

**Abhi Jain:** Hi, good evening, hope I'm audible.

**Shivendra Nigam:** Yes please.

**Abhi Jain:** Hi. Sir, I just wanted to understand something around the same-store sales growth. Obviously, you have a great track record.

**Shivendra Nigam:** Your voice is not clear. Can you please repeat the question?

**Abhi Jain:** Is it better now?

**Shivendra Nigam:** Yes, please.

**Abhi Jain:** Yes. Yes. So, sir, I wanted to understand something around the same which is the same-store sales growth. Now obviously, you have a great track record of growth on the PAT and top line on a consistent basis.

But what I observed from the data is that your SSG seems to be highly correlated to the monetary policy. So, whenever the monetary policy is loose, we see an up-tick in your same-store sales growth. And whenever there is monetary policy tightening, the SSG takes a hit.

And given the inflationary environment that we are in right now, it is not a very difficult thing to assume that in the next 12 months, we might start seeing monetary policy tightening again. Can you help us understand if there is any lever that you guys are thinking or the management is thinking of pulling to save this expected decline in the SSG, which is highly correlated to the monetary policy?

Or have you thought about it? Because the data clearly shows that if monetary policy tightens, discretionary spending will take a hit. And I'm pretty sure that the SSG of Cantabil will also take a hit, so, any thoughts around that?

**Deepak Bansal:** Our SSG last year was around 5%. And in April also, our SSG was around 5%. So, monetary policy right now is not hampering our SSG growth because in May also, till now we are getting a decent SSG.

So in the past also, yes, monetary policy constraints the customer pockets. But due to our efficiency practices and adopting some incentive policies at different ends, and by the marketing activities, we are able to get the SSG in the tightness of the financial policy.

**Abhi Jain:** Okay. Sir, on a medium-term basis, you are pretty confident that this SSG of this 5% to 6% will continue despite whatever the monetary policy or efforts are, even if the repo rates increase to more of 100 bps, you are pretty confident to maintain the 5% to 6% SSG right?

**Shivendra Nigam:** Yes. We are continuously delivering for last many years you say, 5% to 6%, that we have been promising. We are targeting more, but at least 5% to 6% of the sales store growth is absolutely on track.

**Abhi Jain:** Okay, all right.

**Shivendra Nigam:** Is that helpful sir?

**Abhi Jain:** No, but that's helpful. Currently, sir, what I want to also understand is that obviously, I'm looking at the top line and this year around -- it has been around in the 15% to 16% range in Q4, we are talking about particularly.

So, can you just give us some sense into your -- the new store openings that you're seeing, how do they compare to the existing stores? I mean, in terms of your breakeven points, in terms of the adaptability because now you are venturing into newer markets. So, I just want to understand how well are new customers adapting to Cantabil?

**Deepak Bansal:** So, our new stores are giving very good response. So, last year, we opened around 53 stores. And right now, also around 45 stores are in the pipeline and all stores are performing very well. So, we are not facing any challenge in the new markets or such. And the old stores, as you have noticed, doing 5%. So overall, the combination of old stores, new stores are giving good revenues to the company.

**Abhi Jain:** Perfect, all right. Thank you, sir. That's it from my side. All the best.

**Shivendra Nigam:** Thank you, sir.

- Moderator:** Thank you. The next question is from the line of Tarun Sharma from Anand Rathi. Please go ahead.
- Tarun Sharma:** Hi. Good morning. Good evening, actually and congratulations on a great set of numbers. I just had a couple of questions.
- Shivendra Nigam:** Thank you.
- Tarun Sharma:** So, are we seeing any price hike that we would also be adopting considering how the raw material situation is? And are we seeing any impact of raw material pricing increase in our input cost?
- Shivendra Nigam:** So yes, this is actually sale price is obviously dependent on our cost price directly, already the seasonal merchandise is there. But as of now, some input material has seen some hike. Yes, some cost is to be bear by the customer and some by us. So, it's a mixing and edges. Yes, our prices, selling prices are dependent on cost.
- Tarun Sharma:** Okay. And are we seeing any early trends of impact of the cost on maybe reduction in the footfall as well because of the hike or is it that we seeing good response currently as well?
- Shivendra Nigam:** Footfall is good, because we are getting the SSG till now. So, footfall is fine until now, so, no impact on the footfall side.
- Tarun Sharma:** I also have one on the balance sheet side.
- Shivendra Nigam:** Yes.
- Tarun Sharma:** We have INR25 crores under loans. Can you just explain a bit on the nature of the same?
- Shivendra Nigam:** So, we have given an intercorporate loan. We are having the fund surplus, we have. So, we are getting some good amount of returns. Normal market returns in terms of fund is approximately 6% to 7%. This we have been around 12%. So, for 1 year, so that is for the better return only.
- Tarun Sharma:** Okay. Thank you for this. And I'll just join back in the queue for any further questions.
- Shivendra Nigam:** Okay sir thank you.
- Moderator:** Thank you. The next question is from the line of Ankit Shah from White Equity Investment Advisors. Please go ahead.
- Ankit Shah:** Thank you for taking my question. Sir my first question is on store lease rent. Can you share the number for FY26 and the estimate for FY27?
- Shivendra Nigam:** Yes. If you see in the cash flow, because Ind-AS 116, that expense is on the bottom-line of cash in the financing activities. So, that is approximately INR100 crores for this financial year. And 5% almost is new store, it should end up approximately INR108 crores to INR110 crores by the next financial year.

- Ankit Shah:** Okay. This is the actual lease rent cost that you will be paying, right?
- Shivendra Nigam:** Yes, yes. This is repayment of lease borrowing and the payment of interest on lease liability. This is approximately 95 is the actual lease rental, what we are paying.
- Ankit Shah:** Okay. So, only INR100 crores, you said INR95 crores will be the actual output?
- Shivendra Nigam:** INR99 crores is my actual rental cost for the financial year FY26.
- Ankit Shah:** Okay. Okay. Makes sense sir. So, the average bill value is going up by approximately 10% per annum. What would you attribute this to? I mean, what's going right for us in this and the likely trajectory for FY27?
- Shivendra Nigam:** So, yes, this is a mix of, obviously, some part of the inflation is there and a better mix in terms of margins, better product margin because we are maintaining 60% of the gross margin. So, this year also, some better due to optimization of product. We are trying that it would be better than existing ones. Exactly what will happen, that will take time, but some part would be better than for this financial year.
- Ankit Shah:** Okay. Sir, the store addition is slightly slower than the planned trajectory. So, we had planned for 675 stores by FY26. So where are we missing? And what's the trajectory for next year?
- Shivendra Nigam:** So, the same thing. Actually, these are the -- in my earlier calls earlier comment, if you see last 1 year or 1.5 years. Now we are every year, 10% of our total store, that is out of 650 come for the renewal because 9 years been completed. So, this year, actually, we have opened 91 stores. Numbers are looking 53, 91 stores have been opened. We have been ahead of our target, right?
- But out of the 91 stores, 38 stores come either in the renewals or there are a few performance-based closures as well. So, largely out of these 38 stores, 24, 25 stores are the renewals where we get the better opportunity they are relocations and 13 stores approximately on the performance. In this financial year, in fact, we also opened 91 stores. And going forward also, FY27 target is online, INR1,000 crores of revenue and 725 across the number of stores.
- Ankit Shah:** So, we are currently at 650-plus stores. So, we plan to add net 100 stores in next 1 year or is it gross 100 stores?
- Shivendra Nigam:** Gross 100 stores. To be honest, we are looking for the square feet as well. We have added 1.1 lakh sq ft approximately this year, right?
- Ankit Shah:** Right.
- Shivendra Nigam:** our stores are bigger, 1,700 sft is that area for this financial year.
- Ankit Shah:** Right.
- Shivendra Nigam:** So, net number, we are targeting to 90, 100 stores. Net number maybe 70%, 75% but that depends.

- Ankit Shah:** Got it. Got it. And the square feet, the area, we should be looking at 15% to 20% per annum addition approximately or should that be different?
- Shivendra Nigam:** Yes. We are targeting that. We are targeting that 15% to 20%, 15% minimum. 15% to 20% that depends on the location of the store, but we are targeting this much of area.
- Ankit Shah:** Okay. Okay. I'll join back with you. Thank you.
- Shivendra Nigam:** Thanks, sir.
- Moderator:** The next question is from the line of Swapnil Gupta from White Pine Investment. Please go ahead.
- Swapnil Gupta:** Yes. Hi. Thank you for the opportunity. My question is related to the gross margins. So, in FY26, we made about 60.4% gross margin, and it is continuing the improving trend from 56.2% in FY24. So, going forward, is this 60% margin sustainable?
- Shivendra Nigam:** Yes, sir. The margin, what we are targeting on a long-term basis is approximately 60%. Any of the commentary we are giving is getting better than that. However, 1% may be up and down but that is there. But the overall target to maintain 60% of the gross margin.
- Swapnil Gupta:** So, in FY27, due to the inflation, we also raw material price increase. So, with all those things, we still maintain our 60% guidance.
- Shivendra Nigam:** 60% is the guidance. For us, our internal guidance is to maintain the gross margin at 60%.
- Swapnil Gupta:** Okay. Thank you.
- Shivendra Nigam:** Thanks sir.
- Moderator:** Thank you. The next question is from the line of Arjun Gaikwad, an Individual Investor. Please go ahead.
- Arjun Gaikwad:** Hello. Am I audible?
- Shivendra Nigam:** Yes sir.
- Arjun Gaikwad:** Yes. So, I just wanted to ask like I wanted to understand the rationale behind not accelerating franchisee-led growth, as to why are we not opening on franchisee stores?
- Deepak Bansal:** Company DNA is from very start was about the COCO stores. So, we open the franchisee stores also. So, we have around 20% franchisee and 80% company. But as we are doing bigger stores, we are doing the high rental properties, prime locations.
- And naturally, sometimes franchisees are not comfortable with very high investment properties with high rentals. So, company go for the COCO stores and in those places. But yes, in the Tier 3 markets where the rentals are less, investments are less, we are getting franchisees. We have around 20% franchise and 80% COCO.

- Arjun Gaikwad:** Okay sir. Thank you.
- Shivendra Nigam:** Thanks sir.
- Moderator:** Thank you. The next question is from the line of Ankit Shah from White Equity Investment Advisors. Please go ahead.
- Ankit Shah:** Sir, thank you for taking my follow-up. Sir, the opex cost has been under tight control. Can you help us understand how you are achieving this and the trajectory going forward?
- Shivendra Nigam:** Sir, this is question regarding capex cost?
- Ankit Shah:** Opex, opex. So, employee cost and other expenses?
- Shivendra Nigam:** Yes, yes. So overall, our cost we are maintaining our overall cost. Obviously, when the sales are going higher side, in terms of percentage, it comes up. Like my retail cost last year was 34%. This year came down to 33%.
- So, we have always been known as a very tight negotiator and so that opex cost has been maintained. We have very fixed parameters in terms of operating front-end cost. It came down the moment sales goes up 34% to 33%. We have 8% of the backend corporate cost in terms of the operating which has been under control.
- Ankit Shah:** Yes, got it. And we expect the same trajectory, the same kind of operating leverage to play out in the next 2, 3 years?
- Shivendra Nigam:** Absolutely. In terms of percentage, if you will say, it would be -- we are hoping not to cross that, maybe plus/minus 1% is a different thing. Otherwise, largely, it would be in the same range.
- Ankit Shah:** Got it. Got it. Sir, can you throw some light on footwear sales? Can you give the numbers and the expectation for FY27?
- Shivendra Nigam:** Footwear, right?
- Ankit Shah:** Yes. Yes.
- Shivendra Nigam:** Footwear, yes.
- Ankit Shah:** Yes.
- Shivendra Nigam:** Footwear sales last year was INR10 crores. And this year, we did INR14 crores. So there is 40% growth in the footwear sales.
- Ankit Shah:** Right. And what is the expectation for FY27?
- Shivendra Nigam:** So, it's the same rate. Like this year, last year, if you say we have done approximately -- a start 1.5%, this year, we almost on the target of 2%. Going forward, we have a target to increase it, maybe end of this financial year 3% to 4%, 4%. We have plans.

- Ankit Shah:** Yes. Got it. Got it. So, we would be introducing this across more and more stores or all family stores or how is it?
- Deepak Bansal:** We are planning it majorly for the online sales because we are getting online traction more in the footwear. So, growth we are forecasting from the online channel.
- Ankit Shah:** Got it. Got it. And sir, can you help us understand a little bit more on the kids wear piece? How is it tracking? And how are the numbers doing?
- Shivendra Nigam:** Kids wear?
- Ankit Shah:** Yes.
- Deepak Bansal:** Kids wear we are around 2% to 3% of total sales. So, we are opening new family stores. So, last year also 45% family stores of the total stores. So, in the family stores, we keep kids wear. So, kids wear sales is going to grow. But next year, we see it around coming to the 4%, around 4%, 4.5% of total sales.
- Ankit Shah:** Yes. Okay. Okay. That's it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Shrinjana Mittal from MS Capital. Please go ahead.
- Shrinjana Mittal:** Sure. Hi. Thank you for the opportunity and congratulations to the team for strong execution. I have 2 questions. So Shivendra, if you can explain to me that the gross margin has increased from 53%, 54%-odd to 57% this quarter, so roughly around 350 bps, 400 bps improvement from last year.
- And also seasonality also, if I check, this quarter, gross margins are generally on the lower side compared to the other quarters, right? So, what has led to this higher gross margin in this quarter? Is it a mix-led thing or is it also because the footfall was good, so the discount mix percentage was on the lower side? Yes. This would be my first question.
- Shivendra Nigam:** So you are talking about Q4, right?
- Shrinjana Mittal:** Q4, yes.
- Shivendra Nigam:** Yes, Q4. So one thing is that there is some obviously, better efficiency mix is there. It's a mix of efficiency as well as some correction in pricing. GST has also helped a little bit. So, these are the mix of these combinations, all 3 combinations. So, that is why Q4 was better in terms of gross margin. But overall, going forward, this margin is to be maintained.
- Shrinjana Mittal:** Understood. And when you say efficiency, you're talking about in procurement efficiency?
- Shivendra Nigam:** Rather than efficiency, I will say, better product mix, higher margin little bit almost well, but slightly on a product mix side.
- Shrinjana Mittal:** I understood.

- Shivendra Nigam:** Rest of the details, if you want, I can take it separately.
- Shrinjana Mittal:** Sure, sure. Yes. The second question I had, Shivendra was e-commerce sales number, if you can share for this quarter and last year same quarter -- the absolute sales number for e-commerce?
- Shivendra Nigam:** Absolute number for the quarter only, right?
- Shrinjana Mittal:** Yes, for the quarter.
- Shivendra Nigam:** So, last year, actually, as I explained earlier as well, my last year online numbers, if I take online numbers was INR9.88 crores, INR10 crores broadly you take. This year, it ended up with INR11 crores, right?
- So, the growth is approximately 10% -- but in terms of number of pieces, if I'll go, my growth is approximately 13% because I explained earlier as well because Myntra has major players, which is Myntra and Flipkart is having 70% of the total 65%, 70% contribution, they have changed the billing pattern I explained last time as well.
- Shrinjana Mittal:** Right.
- Shivendra Nigam:** So overall, if I take it in volume, that is approximately 12% growth in quarter as well, 15% impact.
- Shrinjana Mittal:** Understood, I understood. Thank you. Thanks for taking my questions and best of luck.
- Shivendra Nigam:** Thank you, Shrinjana.
- Moderator:** Thank you. The next question is from the line of Rajesh, an Individual Investor. Please go ahead.
- Rajesh:** Hello. Good evening. Can you hear me?
- Shivendra Nigam:** Yes, please go ahead. Rajesh ji.
- Rajesh:** Yes. Sir, more of a macro perspective, just wanted to understand from you, given the current global situation, which obviously has led to some sort of inflationary pressure on the economy, do you all believe this inflationary pressure affects a retail format like Cantabil? Means does it impact the demand scenario or the demand perspective at your stores as well or expected to impact?
- Deepak Bansal:** Yes, there can be an impact on the demand on the food costs, but we believe due to our marketing activities and due to our efficient front-end practices, we can manage this sluggish demand if it happens in the future.
- Rajesh:** So basically, then a follow-up to that is with additional marketing and everything, do you expect that there will be some pressure on the margins with opex costs going up? And so if you can just give me a guidance for, say, FY27, given the current situation on both sales as well as EBITDA?

- Shivendra Nigam:** So, the guidance is simple. These are the effects if you see Cantabil never been affected by these margins. A few of the months, we have very good same-store sales growth, which will be compensated by in a few months, right? First quarter was great. Then overall 5% to 6% of the same-store sales growth margins would have been there. Yes, this disturbance on a global level would continue.
- Number two, whatever the numbers we have been committing in terms of margins, that is a sustainable number. We are completely focusing on our gross margin, which is approximately 60%. The moment we will be able to maintain that, our EBITDA margin, 30% will always be on the card.
- Rajesh:** Sorry, but I just heard that basically additional marketing expenses would be given towards to...
- Shivendra Nigam:** 1.7% as of now. It may go up to 2%, 1.8%, plus/minus 0.1% 0.2%, not beyond that.
- Rajesh:** Okay. And just a follow-up on the guidance. What's the projected SSG for FY27?
- Shivendra Nigam:** We are expecting to take it forward from 5% to 6%. Otherwise, 5% to 6% would have been maintained. It may go up to 7%, 8%, but it's too early for this, but minimum, 5%, 6% would have been there.
- Rajesh:** Got it. And sir, just last question. Given there are a lot many categories, which is kind of new or more of experimental categories, everything, do you think broadly on the inventory front or basically, do you see an expansion in the working capital cycle for you means predominantly from an inventory perspective, going into family stores, where probably more inventory would have to be stored and everything. So, given all these factors, do you see a working capital expansion cycle?
- Shivendra Nigam:** From last year, for last three, four years, we have the best this financial year in terms of inventory days as well as working capital cycle. Last year, inventory days was 123 days, 24 days, in fact, we came it down to 109 days. Our working capital was approximately 115 days. This year, it came down to 105 days. We are continuously working on it to maintain it more.
- Always, we said it should not cross beyond 120, and we are trying to reduce. So, significantly, we reduced it. We optimized it. So, approximately near this only 110 days in terms of finished goods inventory as well as 105 days of working capital, approximately would be around this.
- Rajesh:** Sorry, I missed the last part.
- Shivendra Nigam:** 105 days of the working capital for this financial year, 110 days was the inventory, and it would be around this.
- Rajesh:** Understood. That would be all from my end. Thank you so much, sir. Thank you so much.
- Shivendra Nigam:** Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Abhi Jain from A.J. Capital. Please go ahead.

- Abhi Jain:** Thank you for the opportunity, again. Sir, I just want to understand that given the inflation headwinds and the problems and obviously, it will become more sticky in FY28 than it is in FY27. Is there any plan or are you monitoring or does it help if you upfront your capex and your store expansion and store opening?
- Does it make sense to increase the pace in FY27 and then wait and watch in FY28 basis how the inflation picks out? Because I think cost optimization, that will be one part of cost optimization that will really help you sustain your margins going forward. So, any thoughts around that?
- Shivendra Nigam:** Are you asking about the capex expense going up due to the inflation.
- Abhi Jain:** Yes, the store expansion, so whatever is planned, I mean, does it make sense to front-load it in FY27, given that inflation is expected to be sticky globally. And obviously, the cost will rise and the interest cost will rise and all of that will contribute to cost. So, just for cost optimization basis, I'm just thinking?
- Shivendra Nigam:** Interest cost, we don't have because we are debt free. And the capex, we have planned to lower our capex, per square feet because we have right now adopted a new furniture fixture category, which is -- which has slightly less cost than what we are doing in the previous year. So, capex, per square feet, we think will go down in this year because the new fixture design has been adopted with a lesser cost. So, this is how we plan to mitigate the inflationary pressure if it comes in the coming quarters.
- Abhi Jain:** Okay. Thank you so much...
- Shivendra Nigam:** So, we have a very clear bifurcation what we are going to spend, how we are going to utilize our cash flows, that is very clearly bifurcated. How much is -- because everything is from the internal accrual, obviously, we are which is less. So, INR1,800 is the capex per square feet, if we are adding 90, 91 or 100 stores. So, that is -- So, there's no -- in terms of mixing of opex or substantiating or replacing opex with capex, so things are as per plan. No issues.
- So, it will come down as the Deepak is in that we will have some saving maybe in the capex one. So, going forward, there's no change in plan in terms of opex percentage as well as capex for cash flow utilization purpose.
- Abhi Jain:** No, that is helpful. It's just that FY28 looks like monster staying up sitting out there and nobody knows how it will pan out given the global inflation headwinds that we are seeing. So, I'm just thinking that does it help to pre-empt our efforts towards that and mitigate whatever we can right now in FY27. That was the only plan I thought of. Thank you.
- Shivendra Nigam:** Can you please repeat...
- Abhi Jain:** Okay. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Dharmesh Shah from Equitree. Please go ahead.
- Dharmesh Shah:** Congratulations on good set of numbers on the guided line. I have a couple of questions. First is, I just wanted to understand what would be the rent.

**Shivendra Nigam:** Sorry, your voice has been breaking. What would be the rent?

**Dharmesh Shah:** Am I audible, better?

**Shivendra Nigam:** Yes, better now.

**Dharmesh Shah:** Yes. So, my first question is what is the current rent per square feet?

**Shivendra Nigam:** Current rent per square feet, it has come down to INR115. Yes, INR115 per square feet for the financial year FY26.

**Dharmesh Shah:** Has it gone up or down.

**Shivendra Nigam:** Last year, it was 120. This year, it's come down to 115.

**Dharmesh Shah:** Okay. Also in previous calls also and current call also spoken about increasing the store size. Just wanted to understand on the...

**Moderator:** Sorry to interrupt, Mr. Dharmesh, please use your handset while you ask a question.

**Dharmesh Shah:** Am I better?

**Shivendra Nigam:** Yes, sir.

**Dharmesh Shah:** I just wanted to understand on the new store versus old store in terms of the larger stores, which currently we are using vis-a-vis the older ones smaller in size. What is the benefit which we are deriving from?

**Shivendra Nigam:** So, now the concept is not exactly the benefit. We are opening bigger stores now. For last two years, our average size, if you say as a journey, it was started in last 3 year from 1,100 square feet average size. This year, we end up with 1,400 is my average size. For last two years, my average opening size is 1,700 square feet.

Obviously, we are opening more family stores, right? So, the benefit is in that we are a better portfolio of family stores where sizes are not available, it could be men like Maharashtra, Gujarat where big properties are not available. We have better EBITDA margin in the bigger stores. Profitability is higher in the bigger stores and EBITDA margins are lower in the smaller stores. That's why we are opening bigger stores.

**Dharmesh Shah:** Sure. So, any analysis expected and actual EBITDA that we are deriving?

**Shivendra Nigam:** Expected EBITDA on a company level?

**Dharmesh Shah:** No bigger size stores.

**Shivendra Nigam:** My bigger family store EBITDA from men's store, if you say, that is plus 1.5%. That is what the large difference is. But it is not -- this is not a pure parameter for opening a store. There are a lot of parameters. But obviously, when we are opening the family stores, we are giving slightly better EBITDA margins.

- Dharmesh Shah:** Also there was a new corporate office that was supposed to operationalize. Have we moved into the new corporate office cum warehouse?
- Shivendra Nigam:** Yes. We are having this conference from the new corporate office itself.
- Dharmesh Shah:** Oh great, great, great. So, was this capitalized in FY26 or when you see this capitalization there?
- Shivendra Nigam:** Capitalized -- all the building has been capitalized. Overall, the budget was for the building, barring land was approximately INR50 crores to INR55 crores, almost everything has been done, and it has been capitalized in the book and balance sheet has been taken the depreciation effect of this as well.
- Dharmesh Shah:** Okay. Sir, in terms of warehouse, I understand that the new office also had a warehouse. So, what would be -- how large is the warehouse? How much store additional store it can cater to?
- Shivendra Nigam:** So, this building is 11-story building, where we are having four floors for corporate office and four floors have been used for online warehousing. So, this has been completely automated with WMS. So, this is big building, four floor has been dedicated for the online warehousing. Our offline warehouse is still separate.
- Dharmesh Shah:** Does that mean we will be catering to only online from this
- Shivendra Nigam:** Yes this warehouse will cater to online sales
- Dharmesh Shah:** Okay. Great. Sir, one last question, a follow-up question. There was this loan. Is it given to some related party or external?
- Shivendra Nigam:** Non-related party. Non-related party for better returns for one year only. It could be closed in this financial year.
- Dharmesh Shah:** Sure. And last question, if I may ask, what is the current inventory aging bucket? I'm more interested on knowing inventory above 180 days.
- Shivendra Nigam:** Current inventory aging bucket, right?
- Dharmesh Shah:** Yes, yes. So recently, above 180 days, how much inventory would be there?
- Shivendra Nigam:** My 70% of my total inventory, 70% to 75% is within the range of 1.5 years. And then we have obviously inventory provisioning policy for aged inventory, which is in place.
- Dharmesh Shah:** And what is the provisioning policy, if I may ask?
- Shivendra Nigam:** Up to ONE year, that is all fresh material, zero provision is made. One to three years, 10% provisioning we are making and anything above three years, whatever we make, 50% provisioning has been made of cost, which is actually going to be realizable. So, one to three years, 10%, above three years, 50%.
- Dharmesh Shah:** Sure. Sure. That's it from my side. Thanks and all the best.

- Shivendra Nigam:** Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Akshay, an Individual Investor. Please go ahead.
- Akshay:** Hello. Sir, since we shifted to new warehouse and corporate office, will there be any saving in lease cost in future?
- Shivendra Nigam:** Reduction in lease cost, right?
- Akshay:** Yes.
- Shivendra Nigam:** Yes, it would be there. My earlier office building was on lease, so that saving would have been there.
- Akshay:** How much will be the saving and by when we will realize it like quarter 2 or 3?
- Shivendra Nigam:** INR1.5 crores to INR2 crores annually.
- Akshay:** Okay. And this will be from quarter 2 or from quarter 1 onwards?
- Shivendra Nigam:** Quarter 2 onwards. Quarter 2 or maybe quarter 3 onwards effect largely reflect.
- Akshay:** Okay. And this is only for corporate office and about for warehouse?
- Shivendra Nigam:** So, as we explained, like say, we were having earlier office, right? Earlier office was there as well as offline warehouse would be there. So, this office, we moved -- we have 50% of the office space as well 50% of the e-commerce warehousing space, right? And then the offline would be new to our factory. That is already a warehouse and another warehouse. So, this is how we are being balanced.
- Akshay:** Okay. So, this INR1.5 crores is total savings?
- Shivendra Nigam:** And one rental is approximately INR2 crores we are going to say from maybe Q3 onwards.
- Akshay:** Okay. And regarding -- like what is our future plan for using the cash flow? Because we had given INR25 crores this year to -- for some intercorporate loan. So, for future cash flows, what is our plan, how we will use the cash flow?
- Shivendra Nigam:** So, cash flow would have been -- if you see this year, we are having, say, 50% -- INR50 crores of my cash surplus. 50% was there. 50% what it means this is given to non-related party for better return. But going forward, we have a plan to make a better return in terms of market. We will have expansion plan. Things are in place, which would come from Q3 onwards.
- Akshay:** Okay. Okay. So, we will do more capex from Q3?
- Shivendra Nigam:** Some INR100 crores has always been on the plan and maybe numbers going forward. But cash surplus by the end of this balance sheet would be a good amount of there in the balance sheet.

And we'll come to how better return. We are obviously going to have a return on that, whatever the better return would have been there.

**Akshay:** Okay. And last question is there is around INR10 crores in CWIP in balance sheet. Is there anything in progress or like what is...

**Shivendra Nigam:** Yes. We are building another floor in our existing factory. So, largely part of INR10 crores for this Bahadurgarh warehouse as well as few stores are in pipeline, INR1.5 crores is a part of that, which we are going to be open in the month of April end in the Q1. So, that is there. Then some work is going in corporate office still C-12. So, that is largely 50% part by Bahadurgarh factory and the balance is for this office as well as new stores.

**Akshay:** Okay. And that will start in Q1, you said, right?

**Shivendra Nigam:** Sorry?

**Akshay:** The remaining portion will start in Q1, this quarter.

**Shivendra Nigam:** Which delivery portion?

**Akshay:** Yes.

**Shivendra Nigam:** This is keep on going. We are keen to keep on opening the stores. So, always WIP would have been there. Some is going on in factory as well. So, some WIP four five six stores would always be there.

**Akshay:** Okay. Okay. That's it. Thank you.

**Shivendra Nigam:** Thank you, sir.

**Moderator:** Thank you. The next question is from the line of Satyajit Sen from Value Research. Please go ahead.

**Satyajit Sen:** Hello?

**Shivendra Nigam:** Yes, please. Yes, hello.

**Satyajit Sen:** Am I audible?

**Shivendra Nigam:** And its right – yes, please. Go ahead.

**Satyajit Sen:** Yes. Thank you for taking my questions. Just a clarification question. So, in the latest presentation, the sales per square feet for FY25, you have taken as INR763. But in last year's presentation, it was INR784. Have we just expanded the base for the square feet that we have taken?

**Shivendra Nigam:** Yes. Actually, when we are moving to new software, we reassess all the areas. So, there are some old stores where areas and then we expanded this area. So, 5% of my total area, you can

say 20,000 square feet on our older stores has been expanded. That is why marginally per square feet is looking down. So we corrected everything.

**Satyajit Sen:** All right. My next question would be just -- I just wanted to know how far do we reach maturity for a larger family-owned store?

**Shivendra Nigam:** So, broadly, maturity period is still around 1.5 years to two years for maturity when they have started giving their full sales. How the breakeven period is six months for any of the stores. So largely, these parameters are same, whether for men's or family store.

**Satyajit Sen:** All right. Thank you.

**Shivendra Nigam:** Thank you, sir.

**Moderator:** Thank you. The next question is from the line of Ankit Shah from White Equity Investment Advisors. Please go ahead.

**Ankit Shah:** Thanks for taking our follow-up. Sir, are we expanding our manufacturing capacity?

**Shivendra Nigam:** So, manufacturing is still we are maintaining 60-40. 60% is own manufacturing through our dedicated Bahadurgarh factory, which has a capacity of producing approximately 18 lakh to 20 lakh garment, which as of now is fulfilling about 25% requirement, plus my job worker is 35%. So, we are controlling own manufacturing through job worker as well as factory, which is brought largely 60% and accessories is 40%. And going forward also, this ratio is largely maintained.

**Ankit Shah:** Got it. Sir, whatever we are manufacturing at our factory, let's say, right now, it would be around 25%, the 18 million to 20 million pieces. So, should that be contributing to better margins for us?

**Shivendra Nigam:** Yes, suit -- that is a specialized suit unit. Obviously, suits are having a very -- that's a specialized suit plant. They are having better margins, yes. And it is difficult for other units. You can have a small, small unit for shirt, trouser and other things, but it is a completely technical or imported machine. It's a big setup. So, that is why the moment our requirements will increase, we are expanding our existing suit facility. They have better margins.

**Ankit Shah:** Got it. Got it. You said this manufacturing is for suit, blazer?

**Shivendra Nigam:** So, where this is the facility, we are -- this is what we are right, this is a specialized suit plant. However, there we produce suit, coats, blazer in category, formal trouser, formal shirt.

**Ankit Shah:** Got it. Okay. So, now that we are likely to have a cash surplus, are we looking at expanding the capacity here or in-sourcing more and more production at some stage, maybe one or two years down the line?

**Shivendra Nigam:** So sir, we are actually core retailers. So, our focus area is retail, but we need largely 60%, as I said, would be maintained, but largely would be outsourced to the job worker rather than establishing one more own plant.

- Ankit Shah:** Got it. Got it. So, we want to focus on retail and whatever we have on the manufacturing side, broadly, we continue with that. Is that understanding right?
- Shivendra Nigam:** Yes, yes.
- Ankit Shah:** Sorry.
- Shivendra Nigam:** Job workers are going to increase.
- Ankit Shah:** Got it. Got it. Makes sense. Got it. Sir, in the earlier calls, you were talking about trying to explore an export opportunity and you were trying to explore something in Nepal. Can you update us on that or any other export plans?
- Shivendra Nigam:** So, we still have four stores in Nepal. Nepal is near the master franchise where we can be. We are exploring it. But on an immediate basis, India is so big. We are expanding INR1,000 crores is the target, then we have to make it forward. But we are exploring anything good opportunity comes, we are definitely going to go for that.
- Ankit Shah:** Got it. You said we already have four stores in Nepal. Is that right?
- Shivendra Nigam:** So, we have a mix of multi-brands and EBOs there. So, multi-brand and EBOs combined mix four stores in Nepal.
- Ankit Shah:** Okay. And you were looking at appointing a master franchise or something, sir. Is that -- can you give more detail if that's possible?
- Shivendra Nigam:** Master franchisee for overseas, you are asking about?
- Ankit Shah:** Yes, either overseas or Nepal in particular?
- Shivendra Nigam:** So yes, for the Nepal, we have a selling distribution kind of model, not exactly the master franchisee. And for the other countries, we are not doing business in the other countries. But yes, when we will do, we have to figure out whether we go with the joint venture kind of model or the master franchisee kind of model. So, that will be figured out with the partner we will be getting.
- Ankit Shah:** Got it. And what would be contribution from Nepal to our consolidated sales? Would it be 1% or it could be negligible?
- Shivendra Nigam:** No, no, no. it's hardly three stores. So, we are comparing 650 stores to three stores. But we are doing approximately on an annual basis, 1.5 of the business for 1.5 because margins are less, we do not have any retail cost. So, their transfer pricing is much lesser than what we are selling to over the counter in Nepal stores.
- Ankit Shah:** Got it. Got it. Sir, any progress you made on fast fashion that is another piece that we were exploring. So, can you share some details on that?

- Shivendra Nigam:** No, fast fashion category, we are not exploring because we always said that we are into the basic kind of fashion. So, we are brands which are closer to the collection like UNIQLO, we are not doing products like Zara, which are in the fast fashion-- so we want to remain into this category, if -- yes.
- Ankit Shah:** Got it. Got it. That's it from my side. Thank you so much.
- Shivendra Nigam:** Thank you, sir.
- Moderator:** Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Deepak for closing comments.
- Deepak Bansal:** FY26 has reinforced the enduring strength of Cantabil brand, delivering record performance, strong consumer traction and robust financial results. Guided by Vision 2027, we remain focused on accelerating expansion, deepening customer engagement and driving sustainable long-term value creation.
- We thank our shareholders for their continued trust and look forward to building on this momentum in the years ahead. We hope we have been able to answer your queries. Please feel free to reach to our CFO or IR team for any clarification or feedback. Thank you all.
- Moderator:** Thank you. On behalf of Cantabil Retail India Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.
- Shivendra Nigam:** Thank you, sir.