

June 8, 2026

The Manager, CRD
BSE Limited
P J Towers, Dalal Street, Fort,
Mumbai - 400001

The Manager, Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C-1, Block G, BKC, Bandra (E),
Mumbai - 400051

The Secretary
**The Calcutta Stock Exchange
Limited**
7, Lyons Range,
Kolkata - 700001

BSE Security Code: 500043

NSE Symbol: BATAINDIA

CSE Scrip Code: 1000003

Dear Sir/Madam,

Subject: Post Earnings Call

This is further to our letters dated May 25, 2026, June 1, 2026 and June 3, 2026, on the captioned subject.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the Post Earnings Call (Group Call) held on Wednesday, June 3, 2026.

The above information shall also be made available on Company's website viz., www.bata.in

This is for your information and records.

Thanking you,

Yours faithfully,
For BATA INDIA LIMITED

NITIN BAGARIA
AVP – Company Secretary & Compliance Officer

Encl.: As above

BATA INDIA LIMITED

CIN: L19201WB1931PLC007261

Registered Office: 27B, Camac Street, 1st Floor, Kolkata-700016, West Bengal || Tel.: (033) 22895796 || Fax: (033) 22895748

E-mail: in-customer.service@bata.com || Website: www.bata.in



“Bata India Limited
Q4 FY26 Earnings Conference Call”

June 03, 2026



MANAGEMENT: **MR. GUNJAN SHAH – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER – BATA INDIA LIMITED
MR. AMIT AGGARWAL – DIRECTOR FINANCE AND
CHIEF FINANCIAL OFFICER – BATA INDIA LIMITED
MR. NITIN BAGARIA – AVP, COMPANY SECRETARY –
BATA INDIA LIMITED**

MODERATOR: **MR. ANGAD DHALIWAL – 360 ONE CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to the Bata Limited Q4 FY26 Earnings Call hosted by 360 ONE Capital. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Angad Dhaliwal from 360 ONE Capital. Thank you, and over to you.

Angad Dhaliwal: Thank you. Good afternoon, everyone. On behalf of 360 ONE Capital, I would like to welcome you all for 4Q FY26 Conference Call of Bata India. On the management side, we have Mr. Gunjan Shah, MD and CEO; Mr. Amit Aggarwal, Director, Finance, CFO; and Mr. Nitin Bagaria, AVP, Company Secretary.

Without taking much time, I would like to hand over the call to Mr. Nitin Bagaria for his opening remarks, post which we'll open the floor for the Q&A session. Over to you, sir.

Nitin Bagaria: Thank you and good evening, everyone, and welcome to the Q4 FY26 Earnings Conference of Bata India Limited. We have shared the presentation as a pre-read to the stock exchanges on Monday. I hope you had time to go through the same. We have also shared the disclaimer, which is part of the presentation.

I now request Gunjan to take you through the performance summary. Thanks a lot.

Gunjan Shah: Thank you. Thanks, Nitin. Welcome to everyone on this call. Okay. So I will jump in. I will try and cover instead of going through the presentation, as Nitin mentioned, we have now started making sure that we've got enough time to upload the pre-read. So I will go through the Slide number 3 and restrict my summary comments to that. And obviously, the rest of the charts are there, and we are more than happy to cover that and anything else from the QA perspective.

So, with that, coming in, I think pleased to have a second consecutive quarter of accelerating growth, and it was volume backed. It was also coming with significant growth in cash flow from operations. We saw growth across channels, right? So, it was broad-based and across our categories also.

Coming to Slide number 3, retail, we saw volume-led DOS growth. We also saw expansion of ZBM. I've been talking of this agenda now for the last 1 year, right? And that has now shown scale up. We are now in the position to say that we are already at 550 stores as of last quarter, and our plan is to take it to almost 75% to 80% of the network by this quarter end. It did show delta growth, and that's the measure that we have in mid-single digits better than the rest of the network.

We also saw significant double-digit growth coming from strategic vectors of penetration and expansion, which is franchise and SIS, both organic as well as inorganic combination and coming at a significantly higher overall profitability. From a multi-brand distribution, we did scale it up further to almost about 1,670 towns with the channel now showing some signs of

growth. And therefore, I think this pressure that was there on less than 1,000 seems to have become a little better from a momentum perspective, especially in the last quarter.

The e-commerce business continues to be our fastest-growing channel. It continues to grow across its business lines of B2B, B2C as well as dot-com. And now we also have the largest omnichannel network in place, we now have almost 700-plus stores that are fulfilling online orders, therefore, leveraging the same inventory on a better turn on a better sales turnover.

What that does do is obviously put a lot of pressure in terms of making sure that we are able to replenish the stores much faster. And that comes to the next chart highlights on inventory and customer availability project. The inventory continues to reduce. It's now 28% down over 2 years consecutively year-on-year and 13% down over last year.

This is despite that the availability has gone up by almost 1,000 basis points. And it also has come at a significant impact in terms of 30% reduction in terms of complexity. So fresher stock, much more better availability across sizes, at a much better turn is obviously the whole outcome of this project, and I think it is on track for the outcome that we wanted on that.

On the product and merchandising side, it was backed by obviously key campaigns. The premium portfolio of HP and Power continues to outpace the overall growth. We also saw now benefits of this whole inventory piece that has been in the progress for the last 6 quarters. Full price sales are driving growth for us and with obviously commensurately lower markdowns.

Last but not the least is obviously brand and marketing. Our marketing investments, I had talked about it last quarter, we continue to invest in marketing investments. Brand consideration has shown a good trajectory, moved down to 66, which is the highest. And we also saw exhilarating response to the Ballerina Campaign that we launched, which was -- which garnered a large part of this marketing campaign investments of ours.

I will also want to share that as we speak, we have crossed the 2,000 store EBO network as a brand, as a company, and that comprises the details that I've mentioned in the chart. I will just now hand over for a few minutes to Amit to take us through the financials. Yes, Amit.

Amit Aggarwal: Like Gunjan mentioned, we had the second consecutive quarter of about 5% plus value growth.

Moderator: Sorry, you're sounding muffled. Can you just repeat the last part?

Amit Aggarwal: Good evening, everyone. Is it better now?

Moderator: Yes.

Amit Aggarwal: So good evening, everyone. We had the second consecutive quarter of 5% plus growth. From a reported PBT perspective, while the reported number shows a decline of about 94%, by a couple of exceptional items, which we had clarified and informed. This was towards the closure of one of our manufacturing facilities. Historically, if you look at, we have been trying to improve the structural cost by closure of plant operations. And if you look at from the quarter perspective

also, our employee cost is lower by about 10%. And this benefit is flowing from -- to the employee cost line item on a structural basis.

The second large exceptional item for the quarter was the FX impact on one of our licensing agreement in line with the Ind AS. So the closing liability has to be translated at the closing exchange rate that led to an impact of about INR220 million, as mentioned in our notes. Third item, which is not mentioned, is a lower gains on account of lease closures.

So last year, similar quarter, we had a gain of about INR84 million. This forms part of other income. While in the current quarter, that gain on account of store closure is only INR36 million. So that is a non-cash delta of about INR48 million. Also, in the previous year, similar quarter, we had a one-off exceptional reversal amounting to about INR60 million. right?

So, if I were to account for these 4 exceptional items, which I just mentioned, the like-to-like PBT growth stands at about 11%, which is also reflected in the metrics of cash flow from operations, which we had mentioned, that is about 18%.

Nitin Bagaria: Thank you, Amit. Gunjan, we now open the floor for Q&A. The moderator will help us, please. Thank you.

Moderator: We take our first question from the line of Sameer Gupta: from India Infoline.

Sameer Gupta: First question is, sir, on inventory. So it has reduced steadily and it is -- so firstly, is it now at a level which is desirable or it's a continuous process and you will keep cutting down? And second question on this is that as you are reducing inventory, it also means fresher merchandise, lower discounting. But somehow this is not reflecting in our gross margin. So are we using a strategy wherein after a point, if it doesn't sell, we will just discount it and liquidate it. And this is something that is likely to continue? Or how is it playing out?

Gunjan Shah: Okay. Thanks, Sameer. Inventory, I think while I would say 70% or 75% of the job is done, we are wanting to get to turns which are in the range of about 3. We -- last I remember, I think our turns are, while I think very well comparable to our peers, but about at 2.7 or so, right? So there is some amount of improvement still left in our view. But however, it does not come at the cost of basically better availability, as I mentioned in my opening remarks, right?

And I've been showing that consistently. So it's a very critical part of that project that availability actually should improve further. So we are doing a lot of things, upstreaming inventory, making sure that we replenish the stores much faster, etcetera, etcetera, right, besides complexity reduction.

The second part of your question on full price sales, full price sales have shown accretive growth, right? So if the growth is overall x, then the full price sale growth is actually almost 2x or maybe a little higher. So it will reflect in basically while -- as Amit mentioned, there were some one-offs that were basically impacting, but our sense is that underlying full price sale mix, our markdown control, etcetera, will reflect in gross margins. So we are reasonably hopeful of the trajectory on gross margins going forward, which will be visible to you. I hope that answers...

Sameer Gupta: Yes, it does, sir. But then historically, this is not playing out. But logically, it should because so if you could just allude to the reasons why that is not happening?

Gunjan Shah: Yes. I'll just hand over to Amit to mentioned that...

Amit Aggarwal: From a gross margin perspective, there are two impacts, what we spoke about. One is the change in the channel mix, because the channel will have a different gross margin play. As you would have witnessed, we are expanding more on the franchise channel. It comes at a lower gross margin percentage, while it is accretive to the overall bottom line, right? So there will be a gross margin dilution from an optical perspective, while in reality, the dilution doesn't happen, right?

The second is the one-off item, which I talked about, about INR60 million. There were certain provisions which were created in the past in line with the accounting standards, which were no longer required. Those were reversed in the quarter 4 2025, in line with the company practice. And therefore, the base quarter 4 2025 margins are slightly higher compared to what it should have been. So these are the 2 reasons why you do not see the impact of higher fresh price sales in the gross margin.

While on the PBT, as I explained, if I exclude the 4 exceptional items, which is VRS FX impact on lease liability, lower gains on lease closure, all 3 being noncash items, right, we have a like-to-like PBT growth of about 11% and a cash generation from operation at about 18%.

Sameer Gupta: Got it, sir. And these provisions reversal has happened in the COGS line item and not other expenses?

Amit Aggarwal: Yes. So this was pertaining to certain suppliers, right? So there is a periodic process of doing a vendor reconciliation and all. Bata being a listed entity, we will always follow prudence and conservative approach. Once the reconciliation, etcetera, is done, then, of course, if any provision is carried for disputed claims and all, the same gets reversed once the reconciliation process is completed.

Sameer Gupta: Sure, sir. This is very clear. Second question is on the current situation, sir, on the raw material basket. And also, there have been some minimum wage hikes announced by certain states, and these are of very large magnitudes. So if you could just tell us about the impact in the foreseeable future that can be expected from these 2 things?

Gunjan Shah: Okay. No. So we are waiting and watching. I think the bigger one that we are obviously wanting to -- and I have commented on this in the past is basically to do with the raw materials, right? And that can have a material impact. we have taken some consideration of the current status of inputs.

As of now, we don't see a direct impact, but we have obviously taken in the judicious price elasticity that we need to apply, right, going forward. It also depends on how long this disruption will last. So my sense is, as of now, it would be neutral, but we will obviously be dynamic on this front as things pan out from a crude oil price and therefore, the raw material prices for us.

Sameer Gupta: Any numbers that you can share, sir, what is the kind of raw material inflation based on the current spot? I understand you have covers and you have inventory. But what is the kind of inflation you are facing on the current spot?

Gunjan Shah: Okay. So this is a very dynamic situation, Sameer, right now. But the last quoted number that I had in the review was in the range of about 5% to 6%. So that will have to be covered for.

Sameer Gupta: 5% to 6% inflation, that's it? EVA, polyurethane, all these are direct to...

Gunjan Shah: Blended together, yes, blended together because obviously, there is other materials, etcetera, that are there also, leather, etcetera, which has not gone through as much.

Sameer Gupta: And minimum wage hike, sir, because Haryana, UP, Karnataka, all have seen very high magnitude of minimum wage hikes and any foresee -- and these might not reverse even as the RM pressure or the war pressure goes away. So your thoughts on this, sir?

Gunjan Shah: Yes. No, very true. So those are more structural, and I guess will be perennial. In many places, we were already paying more than minimum wage. So that anyways gets covered and therefore, insulated from it, but there will be some impact. My sense is the bigger one that we have been focused on is on the raw material piece, but we will have to see the impact of this cumulatively because we are spread across 30 states. So this is just 3 or 4 states as of now.

Moderator: Next question is from the line of Kanishk Gupta from SS Family Office.

Kanishk Gupta: Sir, my question would be with the competition increasing from both the domestic and global footwear brands, what do you see as the company's key structural advantage in sustaining market share and margins over the next 3 to 5 years?

Gunjan Shah: Okay. Good to hear you. Basically, the point is that there are around 3 or 4 pivots that we are basically focused on. And I've spoken about this. They are reasonably there in this piece that I consistently also update our progress on. Single largest piece that is there is basically on the product piece. right? There is a huge amount of investment that are going in. I think only 10% of that is what has come out into what is consumer facing, I would say.

But over the next 12 months, there will be a massive amount of upliftment of product from a central product design perspective that we have invested in capabilities, etcetera, pivoted around 3 large pieces, technology, comfort as well as style. We want to be the everyday footwear essential for everyone in India or in the family, right? And that's where the largest pivot is.

The second piece that's going to be there is to do with expansion. Our penetration, both offline and online, I think, still has a huge amount of scope. The brand is extremely high on awareness, and it continues to climb, right, both not only on unaided awareness, but also in terms of consideration, as I mentioned in the presentation. How do we make sure that our availability reaches up to that awareness, right?

Therefore, expansion through the franchise route, which has now crossed 700 stores, our desire is in the next 12 months or so, we should be wanting to cross almost or get very close to 1,000

stores. The SIS expansion that is happening. Last but not the least is obviously the whole digital commerce expansion, including leveraging this whole full network to service customers much faster. So I think that's the second big pivot.

The third one that's going to be there is in terms of marketing investments and making sure that the brand continues to strive to become more relevant for basically the consumers of the future. That, I think, is the other one that's got a lot of legs to go and which are, I think, in my view, the simple 3 things. There are many other hygiene factors at play, simplifying the back end, making sure that we've got a few large suppliers and consolidated, removing legacy factories, etcetera. But from a consumer facing, these are the 3 ones that I would bet on.

Kanishk Gupta: And sir, as you just said, the Bata's brand recall is really, really strong. But over the last 4 years, revenue growth has remained largely stagnant despite multiple strategic initiatives. So looking back, why do you believe assumptions about the business, the customer or the market were incorrect? And what has changed in your understanding today that gives you confidence that you can again reaccelerate growth over the next 3 to 5 years?

Gunjan Shah: Yes, yes. So these are the levers that are giving us the momentum that we have seen in the recent past. The piece that is helping this whole thing along is the piece on inventory simplification. And that is something that took some while, got deteriorated and it's taking some while to now get back.

As you can see, the progress is very tangible now. So that clubbed with these levers should help us manifest this and translate that into growth, which we, as of now, are experiencing also. We are desiring that to obviously accelerate even further going forward.

Kanishk Gupta: And sir, many younger consumers are increasingly shifting global and digitally driven brands that are perceived as more aspirational and trend focused. So how do you plan to strengthen your relevance among the younger consumers? And what metrics would indicate that these efforts are translating into improved customer acquisition and market share?

Gunjan Shah: Right. So that, Kanishk, is the one that I mentioned when I said the marketing piece. While there are some legs to go, the single largest piece that is going to happen in that front and which will -- I will share with you at the right moment is our proposition from a sneakers perspective. And that work is in progress right now.

And how do we bring that alive to consumers, how do we want to present it to consumers as well as the kind of product portfolio because there is a big overlap between the younger consumers and the sneaker world. And how do we make sure that, that comes alive is, I think, going to be one big answer to the question that you're raising, but it's a live one.

Kanishk Gupta: So sir, what you are telling that, that is in -- currently in works right now?

Gunjan Shah: Yes, absolutely. In addition to obviously, the levers that I already mentioned. So our marketing investments right now are always elevated. But specifically to your question of younger consumers, that is a big overlap with the sneaker world. Getting a specific answer to that is going to be a large part of that answer for you and for the consumers also.

- Kanishk Gupta:** But sir, people still consider Bata as a legacy brand and the younger consumer mentally thinking from their perspective, prefer new and cool-looking brands apart from Bata being like a legacy brand that people from ages prefer. So how do you plan to shift the mindset that the younger audience is preferring?
- Gunjan Shah:** So that's the answer, Kanishk, that we'll come out with. That's what I was trying to tell you.
- Kanishk Gupta:** Okay, sir, no problem. And lastly, sir, beyond -- last question would be beyond revenue growth, what are the key internal metrics that you track to evaluate whether customer relevance and brand strength are improving? And how do you plan to increase the same-store sales growth and which gives you the greatest confidence that it is still improving a lot and there is no more room for improvement left?
- Gunjan Shah:** Okay. It's a very long question, Kanishk. But effectively, there are 3, 4 things, and that is the ones that I have shared in the pre-read of mine. I think this whole piece on Google and NPS ratings is one big measure of consumer piece. Brand consideration is one more measure. The third one is expanding this whole zero-based merchandising, which helps us get us much better same-store growth in the stores that we have expanded to.
- I think are all leading up to the same piece of making sure that we are able to deliver and measure much better consumer satisfaction. And besides that, online, basically repeat consumer sales that you get from your bata.com. So that's expanding really fast, almost doubled last quarter.
- Moderator:** Next question is from the line of Malishka Velani from Sunrise Gilts and Securities.
- Malishka Velani:** So my question is the vendor revamp and the store revamp that Bata is doing, it's really helping the top line. How long could it take for these revamps to show effect on the bottom line?
- Gunjan Shah:** As you heard Amit comment on a previous question as well as in the opening remarks, we see underlying leverage coming through. And it's not just the store revamp, Malishka, but also the inventory pipeline decluttering and a combination of these initiatives. So we see underlying benefits coming through. And obviously, you will see that also in the ensuing periods as we push for much better top line, but with efficiency and therefore, leverage.
- Malishka Velani:** All right. Understood. And my next question is that the 28% reduction in inventory is a great thing for the company. But the trade receivables have surged nearly 65% year-on-year. So now is this due to rapid expansion of the MBO channels, which now reaches like 1,600 towns? And when do you expect these receivables to normalize in the upcoming quarters?
- Gunjan Shah:** Just a second Okay. Just the trade receivables have gone up by -- so I don't think there is something unnatural that's happened. I think it's to do with basically expansion of accounts, Malishka. And when we measure it as a number of days, etcetera, perspective, I don't see that to be a big deterioration. But I'll like Amit to comment a little bit.
- Amit Aggarwal:** See, it is because of the different contribution of the different channels, right? So the credit is there in case of, let's say, wholesale business, what we have, some part on the franchise business and largely on the e-com business, which is the entire B2B piece.

Now in terms of days and outstanding beyond what is the permissible credit terms, there is no risk from that perspective in the financials also, if you look at from a provision for doubtful debtors where we have a very strict policy, there is hardly any movement. So while in absolute, yes, you are right, it has grown up by 65%, but, rest, assured in terms of the quality of those numbers. It is largely driven by the businesses because those channels have grown faster.

Gunjan Shah: And it's more a base effect.

Malishka Velani: All right. Also, my last question is that the bata.com grew 81% year-on-year. So this channel, it continues to contribute 14% of your D2C business, right? Now how much growth can we expect in this financial year from the D2C business?

Gunjan Shah: Okay. So just to give you a little context, right? Overall, e-commerce is contributing to low teens to our business, right, about 12%, 13%. Within that, basically, the B2C business is about half of it, let's say, ballpark, about 5% to 6%. And within that 5% to 6%, I think about 14% is the contribution of bata.com. I hope I'm accurate, roughly.

So that's where basically the context lies. But however, it's an important channel for us, not only from a revenue perspective, Malishka, which is going well. And it's now accretive from a -- we have been investing in this channel for almost last 4, 5 years.

Now it's obviously delivering on those investments, but also from our ability to test concepts, new products, promotions, etcetera, with consumers because this is our access to direct to consumers online, and we can instantly try out things overnight literally. Obviously, it doesn't stop us from doing it offline where anyways, we've got a large consumer base.

So it's important. But coming back to your question, my sense is it's underlying growth, it's everyday growth. So it should continue, right, going forward also. In fact, we are expanding because servicing this -- the phenomenon in e-commerce also, Malishka, is that consumers want gratification fast. That's why quick commerce, etcetera, is taking off.

Now our ability to leverage the 2,000 store network is a very large unique differentiator, right, which I answered to another analyst before this. And therefore, this is also propelling that growth, right? We are having almost 1,000 stores now online servicing these demands. Therefore, they are closer to consumers and therefore, ability to service faster and therefore, get much orders also much faster. So we hope this will continue going forward.

Malishka Velani: All right. There's no doubt about the online growth. But I want to know -- I want some clarity with respect to how much growth can we expect this year, like a number -- an estimate or something that can help.

Gunjan Shah: I don't give you forward-looking Malishka number, but my sense is that it is underlying growth that we have seen overall e-commerce as well as for bata.com within that. So I don't see a big aberration in that.

Malishka Velani: All right. Also last question, the current marketing spend of 1.5x, is it primarily focused on these digital channels or it's both?

Gunjan Shah: It's not digital channels, it's digital marketing, right? Some of it goes into obviously performance marketing, which is channel oriented, but it is overall digital marketing, but we do some localized, how do you say, offline marketing also. But the broad ratio would be digital is almost lion's share, almost 80%, 85% of our marketing spend.

Moderator: Next question is from the line of Prerna Jhunjhunwala from Elara Securities.

Prerna Jhunjhunwala: My first question is on profitability. On pre-Ind AS basis, the margin compression over the last 2, 3 years is around 200 bps plus. But on post-Ind AS -- on pre-Ind AS basis, the decline is sharper. So can you help us understand how do you see the operating leverage playing out even after opening the franchisee stores? And how do you view the efficiency of franchisee stores? What kind of levers are there to improve profitability?

Amit Aggarwal: Thanks for the question. See, right now, as I explained from a quarter-on-quarter perspective, at the PBT level, we were at about 11%. If I were to look at pre-Ind AS, which we also monitor from an internal perspective, our profit growth for the quarter was near about 16%. Now because of certain noncash items, that number has tapered down to what is the reported PBT growth, right, which I explained in the previous one.

Structurally, again, if I were to look at from a channel perspective, franchise is an accretive channel at an overall level to Bata. So it is not a dilutive channel. It's a more accretive channel, right? On a per pair basis, I make more money from an EBIT perspective if I sell that pair in a franchise versus any other channel which I do. So franchise is not dilutive. However, from a gross margin perspective, the dilution will appear because of the base effect, right?

Prerna Jhunjhunwala: And how many stores would be there in which lease are being paid by you against -- in the franchisee stores against what the franchisees want to do?

Amit Aggarwal: No. In franchise store, the arrangement is like a bought-out arrangement, the outright sales. So I am not -- the Bata does not pay any lease rent on those stores. The lease rent, etcetera, what you see is more on the COCO side of it, which is company-owned, company-operated. We don't have other model. Our model is either company-owned, company-operated or franchise-owned, franchise-operated.

Prerna Jhunjhunwala: Okay. Okay. Understood. That's helpful. Second question is on demand. The growth that we witnessed in this quarter is how is the consumer sentiment right now? And are you witnessing similar trends even today? And how is the volume growth likely to pan out going forward with respect to consumer sentiment perspective?

Gunjan Shah: Okay. So, the piece is basically that while I cannot give you a forward-looking statement, but as I mentioned, even during the quarter that went by, right, even in my press release, etcetera, March was better than Jan. So, we did see acceleration of momentum, not only quarter 4 versus quarter 3, but within the quarter. So, I'd like to stay by that statement.

We, as of now, as I said, are conscious of the fact that there might be some unpredictable because of inflation, etcetera, and we are conscious of the necessary balancing that we need to do in

terms of cost efficiencies as well as price modulation as I answered to someone else. But I don't see a tangible change in consumer sentiment as of now.

Prerna Jhunjhunwala: That's helpful. Sir, what is the price hike you've taken, if you could share that number till date?

Gunjan Shah: We've not rolled it out yet. But as I answered to another person, basically, the inflation cost that we have seen as of now, right? And this, as I said, is a monitorable, so it keeps changing. But the last update that I see from the team is basically in the range of about 5% to 6% blended across materials.

Prerna Jhunjhunwala: Understood. And last question is on brand strategy. Just wanted to understand, you were also looking at value segment growth in the company. So volumes to be looked at through value segment while profitability through upscaling the premium segment. So where are we on that strategy? And how are we balancing the both?

Gunjan Shah: Okay. So less than INR1,000 is one cut that I have been mentioning consistently, right? While that has been one of the bugbears for the last 3, 4 years for us and therefore, impacting our overall top line, we have seen some signs of revival in that in the last few months. So that's on the value segment equivalent, right? I mean that's the closest that I can talk to you on as less than INR1,000 MRP.

The second piece that you talked about on premiumization, I think that's a conscious strategy. You will see a lot more action from us backed by much better products. So it's not just price increase, but bringing in much better value to consumers and which is what I mentioned that this whole piece on product reimagined and the funnel for it, right, you will see a lot more manifesting to consumers over the next 12 months. I think only 10% of the work that we have put in, in investments have at least manifested to consumers.

But wherever we have done it, we have seen significantly. Besides that, I think our growth lever from an expansion of brands like Hush Puppies will continue at a significant acceleration. It is our fastest-growing brand and will continue to be. We will also disproportionately expand the stores of Hush Puppies and also through the franchise and the SIS route, the corner store route. So that's where that would stand. Does that answer your question, Prerna?

Prerna Jhunjhunwala: I would like to have the revenue share, if you can share between less than INR1,000 product and more than INR1,000 product.

Gunjan Shah: I did have a commentary some time back, but I don't have it handy right now, but we can offline give it to you.

Moderator: Next question is from the line of Kunal Bhatia from Dalal and Broacha Stock Broking.

Kunal Bhatia: In fact, I had the similar question in terms of the contribution from INR1,000, above and low. Apart from that, sir, if you could give us a sense on what was the current full year growth in case of Hush Puppies and the contribution from Hush Puppies?

- Gunjan Shah:** Okay. Kunal, first one, while I tried to tell Prerna that we'll get back offline, the accurate number, but broadly, just to give you a sense is that while this less than INR1,000 was declining for almost 3 years, I would say, since the GST went up, right, and the raw material price increases impacted consumers, we did see stabilization on that front. So now it's no longer declining. So it's kept pace. So it's in the ballpark of the overall 5% top line that we saw, right?
- So that's one. And that somehow answers even Prerna in a way. It was in the ballpark of about 35% to 40% contribution. It remains there. right? But the decline seems to have got stayed now, and I can see that structurally happening. On the other piece of Hush Puppies' contribution, I would say that it is in the ballpark of about 18% to 20% to our turnover.
- Kunal Bhatia:** Okay. Okay. And sir, for the full year FY25 and FY26, what would be our volume growth on a full year basis?
- Gunjan Shah:** I don't have it handy. Let me try and come back to you. Let me try and come back to you.
- Moderator:** Next question is from the line of Sameer Gupta from India Infoline.
- Sameer Gupta:** Firstly, on the -- I just wanted to get this clarified. On the press release, you mentioned that Zero-Based Merchandising, which is at 550 stores, they are 70% of store sales. So just trying to get my reading right, this is basically out of the 1,150 COCO stores, 550 stores which have ZBM are contributing 70% of the store sales, which is roughly 50% of the store network. Is that a correct understanding?
- Amit Aggarwal:** Small clarification. That 70% contribution is coming from the 700 stores, which is also mentioned in the investor deck. So as at end of May '26, we already have ZBM stores rolled out across 700 stores. So these 700 doors is what is contributing to 70%. When we were at about 550 stores, the contribution was about 50% to 55%.
- Sameer Gupta:** Sir, then 70% of stores contributing 70% of sales, the turnover delta is not very high, right? I mean it's...
- Gunjan Shah:** Just to clarify, if you can just remove that because this is a key monitorable we monitor literally every week. The 550 stores out of 1,150, 70% contribution out of 1,150 total, right? So that's the denominator. It is not the rest of the business of ours. It's only the COCO network that we are talking of. Is that -- are you with me now?
- Sameer Gupta:** 550 on 1,150 or 700 on 1,150?
- Gunjan Shah:** No, 550 on 1,150 is 70% of the total turnover of 1,150.
- Sameer Gupta:** Got it. But that's...
- Gunjan Shah:** Yes. That is pareto larger stores. Therefore, they are 50% or less than 50% of stores, but more than 70% of turnover. The update that we have added that Amit quoted to you was that 700 stores have been now completed by May. As I said, a large part of our desire, which is about 800, 850 is what we will want to complete hopefully by this quarter. We will update you as we come to you next quarter.

- Sameer Gupta:** Got it. Then this gets clarified. So the understanding is correct. 50% of stores are contributing 70% of sales.
- Gunjan Shah:** Yes.
- Sameer Gupta:** Bookkeeping question. Revenue mix channel-wise for the year, if you can give, COCO, FOFO, MBO online, you mentioned 12% to 13%, but rest of the channels, if you can give?
- Amit Aggarwal:** So overall, as we mentioned, the COCO contribution would be about, let's say -- let me talk about the other channel. Franchise would be, let's say, close to double digit. e-commerce about 8% to 10%, as we mentioned, and distribution is again similar to 10% to 12%.
- Gunjan Shah:** About 35% is non-COCO, COCO is 65%.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to Mr. Nitin Bagaria for closing comments. Over to you, sir.
- Nitin Bagaria:** Yes. Thank you, everyone, for joining. It was lovely interacting. Good day to all of you. Thanks.
- Moderator:** Thank you. On behalf of 360 ONE Capital, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.

Disclaimer: While we have made our best attempt to prepare a verbatim transcript of the proceedings of the Earnings' Call, however, this may not be a word-to-word reproduction.