

June 03, 2026

<b>BSE Ltd.</b> <b>Corporate Relationship Department</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400 001	<b>National Stock Exchange of India Ltd</b> <b>Listing Department,</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051
<b>Scrip Code – 530517</b>	<b>Symbol – RELAXO</b>

**Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – transcript of investors’ conference call – financial results for the quarter and financial year ended March 31, 2026**

Dear Madam / Sir,

With reference to the captioned subject, we hereby enclose the transcript of investors’ conference call regarding the Company’s business strategy and outlook, post the declaration of results for the quarter and financial year ended on March 31, 2026, which was hosted by the Company on Friday, May 29, 2026 at 16:00 hrs (IST).

The transcript has also been uploaded on the website of the Company i.e. <https://relaxofootwear.com/pages/transcription-of-analyst-meet>

The same is for your information and records please.

Thanking You,

For **Relaxo Footwears Limited,**

**Ankit Jain**  
**Company Secretary & Compliance Officer**

Encl. as above

## RELAXO FOOTWEARS LIMITED

**Registered Office:** Aggarwal City Square, Plot No. 10, Manglam Place,  
District Centre, Sector-3, Rohini, Delhi-110085. Phones: 46800 600, 46800 700  
Fax: 46800 692 E-mail: [rfl@relaxofootwear.com](mailto:rfl@relaxofootwear.com)  
**CIN L74899DL1984PLC019097**

Classification: **Public**





**“Relaxo Footwears Limited  
Q4 & FY26 Earnings Conference Call”**

**May 29, 2026**

<b>MANAGEMENT:</b>	<b>MR. RAMESH KUMAR DUA</b>	<b>CHAIRMAN AND MANAGING DIRECTOR</b>
	<b>MR. GAURAV KUMAAR DUA</b>	<b>CO-CEO AND WHOLE TIME DIRECTOR</b>
	<b>MR. RITESH DUA</b>	<b>CO-CEO</b>
	<b>MR. SUSHIL BATRA</b>	<b>EXECUTIVE DIRECTOR</b>
	<b>MR. ANKIT JAIN</b>	<b>COMPANY SECRETARY AND COMPLIANCE OFFICER</b>
<b>MODERATOR:</b>	<b>MR. SAMEER GUPTA</b>	<b>IIFL SECURITIES LIMITED</b>

**Moderator:** Ladies and gentlemen, good day, and welcome to the Relaxo Footwears Limited Q4 FY26 Financial Results, hosted by IIFL Capital Services Limited. 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 touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sameer Gupta from IIFL Services Limited. Thank you, and over to you, sir.

**Sameer Gupta:** Thanks, Gitesh. Good evening, everyone. At IIFL Capital, it is our pleasure to host the management of Relaxo Footwears. From the management, we have Mr. Ramesh Kumar Dua, Chairman and MD; Mr. Gaurav Kumar Dua, Co-CEO and Whole Time Director; Mr. Ritesh Dua, Co-CEO; and Mr. Sushil Batra, Executive Director. We also have Mr. Ankit Jain, Company Secretary and Compliance Officer.

Without taking more time, let me hand it over to Mr. Ankit Jain for the opening remarks. Over to you, Mr. Ankit.

**Ankit Jain:** Thank you, Sameer, for the introduction. So, myself, Ankit Jain, Company Secretary and Compliance Officer of the company. Good evening, everyone, and thank you for joining us on Q4 and FY26 earnings call. We appreciate your continued interest in our company, and we are pleased to walk you through our operational and financial performance for the quarter and financial year ended 31st March 2026. The earnings release and investor presentation are already available on the stock exchange website and our website for your reference.

Before we move into Q&A session, I would like to highlight some of the key performance metrics for Q4 and FY26. Revenue from operations stood at INR751 crores in Q4 FY26 as against INR695 crores in Q4 FY25, an 8.1% year-on-year growth. The revenue growth was driven by a strong volume growth amidst a recovery in general trade channel alongside continued growth in retail, e-commerce and large-format retail channels.

EBITDA for the quarter stood at INR124 crores, registering a growth of 10.6% year-on-year. EBITDA margin was at 16.5% in Q4 FY26 as compared to 16.1% in Q4 FY25. The growth was supported by continued focus on operational efficiencies, back-end optimization initiatives and prudent cost management measures undertaken by the company despite the dynamic industry environment.

Profit after tax for Q4 FY26 stood at INR68 crores compared to INR56 crores in Q4 FY25, registering a growth of 20.4% year-on-year. PAT margin expanded by 92 basis points year-on-year to 9.0%, reflecting the company's sustained focus on profitable growth.

For FY26, revenue from operations stood at INR2,702 crores as compared to INR2,790 crores in FY25. EBITDA for FY26 stood at INR374 crores, while EBITDA margin stood at 13.8% in FY26. Profit after tax for FY26 stood at INR179 crores as compared to INR170 crores in FY25.

with an increase of 5.3% year-on-year growth. PAT margin in FY26 stood at 6.6% as compared to 6.1% in FY25.

Now going forward, while the momentum exiting FY26 is encouraging, we must tread with caution due to the uncertain external environment amidst the ongoing geopolitical situation causing inflationary pressure, which could affect consumer sentiment.

While the company has recently taken some calibrated price increases to offset input cost inflation, a full impact on demand and consumption pattern is still evolving and requires close monitoring.

To conclude, while we are cautious about the near-term environment, we remain constructively optimistic about financial year 2027 performance, and we are committed to delivering a sustainable performance.

Thank you. You may please open the floor for questions now. Over to you, Sameer.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Sameer Gupta.

**Sameer Gupta:** Firstly, sir, how should one read this result? So there has been a GST rate reduction wherein there was down-stocking in the previous quarter, there would have been some upstocking this quarter. Also, distributor count, if I see your presentation, has gone up from 550 last quarter to 630 this quarter. So if you adjust for these impacts or let me put it this way, if you can give any indication on growth at the retail level, it would be helpful for us to understand the exact quantum of growth, which is going on.

**Gaurav Kumar Dua:** Sameer, this is Gaurav Dua. And you have correctly said that there was optimism in the market in quarter 4. As you have mentioned, GST from 12% became 5% and distributors were carrying the stocks. Now more or less stocks have been liquidated through the pipeline, and we are seeing a good recovery in quarter 4.

**Sameer Gupta:** So let's say, you have reported an 8% growth, but this would also include distributor taking stock, filling their inventory. Last quarter was zero. So suffice to say that the actual normal growth rate is somewhere in between like 4%?

**Gaurav Kumar Dua:** Actually, the full impact we started seeing after December onwards. So you can definitely say that 5% to 6%, we were able to grow in 2 quarters.

**Sameer Gupta:** Got it, sir. That explains. Second, sir, and I think Ankit mentioned this in his opening remarks. So West Asia impacts, first of all, input cost inflation. If you could quantify what kind of input cost inflation you are facing in your cost basket?

**Sushil Batra:** Input cost is on both sides. One is, I think, material, which is impacting everyone and then in few states, labor cost has also been increased by the government. So, we are working on that. Raw material prices are again settling down. So, we are working with the overall impact, how much it will impact, we will have to see, but definitely it's a substantial impact which we are

foreseeing. But we have passed this on with the price increase majorly. So, things should be, I think, more or less at par with the cost increase, and let's see how it works.

**Sameer Gupta:** Sir, one, if you could quantify the inflation. So let's say, if your cost was 100 in the previous quarter in 3Q or 4Q, where is it trending today? Is it 110? Is it 105? Labor cost, I can understand. And second is that, what kind of quantum of price hikes have you passed on?

**Gaurav Kumar Dua:** Sameer, we have taken 2 to 3 price increase in the market, and it was a gradual increase. Some were because of raw material, and one was because of the labor cost, which increased in Haryana. So roughly around 15% to 18% is the increase. In some categories, it is lesser and some categories, it is more. So, we have calibrated what can be passed on in the market and took the call.

**Sameer Gupta:** So on a blended level, you have taken a 15% to 18% price increase at a consumer level?

**Gaurav Kumar Dua:** Correct, correct. You're right.

**Sameer Gupta:** And would your cost increase be roughly similar?

**Sushil Batra:** Around 12% to 15%, I think, will be the price increase, including, I think, all states and all material on the cost of goods manufactured. That's what we are expecting plus labor cost.

**Sameer Gupta:** So you have taken a higher price increase versus the cost inflation?

**Sushil Batra:** No, no. It's a price increase on the FG at a blended rate. Cost of goods which we are manufacturing, there is a price increase on both sides. One is the labor side, which is almost around 25% to 30% price increase on the labor in one state. In other states, it's around 10% to 15%. So it's a mix of all these things. That is the one-part increase in the cost, then material cost, which went up like anything. So, 120 went up to 240, 250 like that.

Now things are settling and coming down. So overall, we have to review everything. But price increase as on date because we had inventory, so that material impact was not much in first month, at least in April and labor had definitely it has increased. So it's a mix of so many things. So we can say around 15% to 20% increase will be there overall on the cost side as on date.

**Sameer Gupta:** Okay. Got it. So 15% to 20% is the increase in cost side and you have passed it on to the consumer entirely. So your margin is protected in a way?

**Sushil Batra:** Yes, that is the intent, we are trying to do that.

**Moderator:** The next question is from the line of Archana Gude from IDBI Capital.

**Archana Gude:** Sir, I've got 3 questions. Firstly, sir, can you give us some understanding on what has really changed post this GST 2.0 in terms of competitive intensity and demand front?

**Gaurav Kumar Dua:** So Archana, we have mentioned before that the GST came from 12% to 5%. So branded and layers, we became more competitive in the market so that the taxes came down. So, it helped the

organized players. And secondly, there was a good demand recovery in quarter 4 at consumer level. So because of these 2 factors, we could see the growth level coming back.

**Archana Gude:** And sir, has the demand continued for the first 2 months for Q1? Or you see some subdued patches here and there?

**Gaurav Kumar Dua:** It's too early to say, but April and May were better. May is still going on. And let us see how June goes.

**Archana Gude:** Okay. Okay. Sir, earlier, we spoke about product premiumization by getting into sneakers and maybe high-value flight portfolio. So how is that going on, sir? How has been the response? And any new products which can aid to margin expansion on the card?

**Gaurav Kumar Dua:** Definitely, we are widening our premium playbook through sneakers and offering lifestyle-led products. So our main objective is that we do not have to lose the relevance in mass category. And plus, we have to premiumize. So, we are making our product mix accordingly.

**Archana Gude:** But like anything planned for FY27 or it's still in the progress?

**Gaurav Kumar Dua:** See, this is a continuous process, premiumization. So like we have discussed before also that we are coming up with the athleisure range, and we are coming with more price points. For example, in Sparx, it was shoes in INR999 to INR1,700. Now we are thinking about how we can offer more products at INR2,500 also. So the price and the premium we are increasing.

**Archana Gude:** Right, right. And sir, lastly, any guidance on capex for this year and next year?

**Sushil Batra:** Last year, we incurred around INR130 crores. Next year, we have planned around INR180 crores to INR200 crores. So that's for next year.

**Archana Gude:** Okay. And that will be used for basically the existing capacity and not for any new capacity addition, right?

**Sushil Batra:** It will be a mix of both, because it's a big amount we spend on the molds. It's not increase of capacity. And then we are making one administrative office also, some money will go there. And some wear & tear and some changes in the machines. So, there is no big capacity expansion, but a good amount will be spent on the molds.

**Moderator:** The next question is from the line of Avinash Karumanchi from Motilal Oswal.

**Avinash Karumanchi:** Congrats on good set of numbers. So if you look at it, like the improvement, this is the first quarter after the 8 quarters where you have seen an increase in volumes. So is it only regarding the GST cuts that you have seen? Or how is it?

**Gaurav Kumar Dua:** So, it was both things. Like we are still an open footwear dominant player. So, because of the season, Q4 and Q1 are bigger for us. Second thing was definitely GST. And thirdly, there was good demand in the market.

- Avinash Karumanchi:** Okay. Okay. And second thing, if I heard it right, you have taken price hikes in the range of 18%, 20%. Is this right?
- Gaurav Kumar Dua:** Correct, correct. 15% to 18%, correct.
- Avinash Karumanchi:** Yes. So we have seen a similar situation in FY22, where we had to take 20% plus price hikes, and that has impacted our volume significantly. Last time also, we argued that we have some maintenance of 6 months of inventory of raw materials, while other unorganized players have maintained lesser quantum.
- Gaurav Kumar Dua:** So this time, we are cautious in buying raw material. We have not bought like what we did 2 years back. So, we are very cautious in buying and passing the price to the consumer. So we are watching the trends, what is happening in the market, and it is across industry, footwear industry. All the players have taken the increase of prices. It's not only Relaxo.
- Sushil Batra:** Last time, raw material prices hike was very steep. So it went from INR100 to INR300. Now this time, it is there, but it's not that high. Now things are settling also. So it is, I think, almost coming down every day, major raw material. But even today, I think things are settling globally also, but it will take time. Let's hope things will be much better, but we don't see a repetition of what happened last time.
- Avinash Karumanchi:** Okay. Okay. And if things normalize, then you would be rolling back the price hikes, right?
- Ramesh Kumar Dua:** No. I don't think there is any possibility that raw material will settle down soon. So this price increase will remain.
- Avinash Karumanchi:** Okay. I'm not asking from the next quarter's perspective or something in that sense. But if you look at next 2 years or 3 years, how should we look at the gross margins?
- Sushil Batra:** Gross margin, we will try to improve overall, but we must be very cautious about the passing the cost to the consumer. We must be competitive. We have to see the competition also. The gross margin intent is to improve, and overall operating margin should also improve. That's what we are trying. So it will be just a journey on the betterment side.
- Avinash Karumanchi:** I mean what would be the levers of that improvement? That's what I'm asking.
- Gaurav Kumar Dua:** So like we have discussed before, we are going to open 100 new outlets this year. And we are going to change our product mix, plus there will be some more addition in terms of distributors and retailers. So we are going to take a lot of steps to at least grow the market and margin.
- Moderator:** The next question is from the line of Shraddha Kapadia from SMIFS.
- Shraddha Kapadia:** Congratulations on good set of numbers. So recently, and right now also you mentioned that there is an increase in focus on the women and the kids category. So if you could let us know the current contribution and the medium-term target, which the management has for the same?
- Gaurav Kumar Dua:** So, for us, men's contribution is 70%, 25% is women and 5% is kids. So more of our focus will be on women and kids to improve. Right now, it is quite low, but definitely it's going to improve.

**Shraddha Kapadia:** Sure, sure. Sir, similarly, for the premium products also, if you could help with the current contribution?

**Gaurav Kumar Dua:** So we were playing at INR999 in sports shoe till INR1,800. Now this time, we have rearranged our portfolio, and we're going to launch more products starting from INR999 without leaving that base till INR2,800 MRP. So I can't say exactly what contribution we'll get from the premium portfolio.

**Moderator:** The next question is from the line of Sameer Gupta from IIFL.

**Sameer Gupta:** Just a follow-up. So 15% price hike, just wanted to understand the thought process. Now when I look at our inventory, we have 75 days on sales, so that will translate to around 150 days on COGS. And aren't we a little early in taking sharp price hikes? Because if I look at the competitors, let's say, Bata and RedTape, and Metro, we haven't seen any major price hikes announced over there so far.

So one, do you foresee a volume impact in the near term, let's say, volume growth momentum will moderate substantially, might even decline in the coming quarters? Do you foresee that? And two, I just wanted to understand the urgency in taking price hikes, sir.

**Gaurav Kumar Dua:** There were 2 reasons what we have mentioned before. One was the raw material, which shot up like anything in the month of April itself. And secondly was the wages, the increase in Haryana, the wages were more than 30% increase in the wages. So there were 2 reasons that we had to take the price increase.

So regarding the raw material, definitely, we are seeing that raw material is now softening, but the wage increase, we don't think it will come down. So the cost pressure will be there. The price hike cannot be taken back. And secondly, it depends upon the other place, which state they are operating from. So we cannot comment upon that, what impact on wages they have. But raw material is across the industry.

**Sameer Gupta:** Got it. And let's say, when you're saying RM will soften, you are like the wage cost is still much higher. And do you foresee taking like price cuts or increasing trade discounts if the raw material were to come down significantly, else you will see a margin expansion, right?

**Gaurav Kumar Dua:** So we are closely monitoring the market, how the uptake will be in the market. So it's too early to give any guidance on this.

**Moderator:** The next question is from the line of Shraddha Kapadia: from SMIFS.

**Shraddha Kapadia:** So if you could help us with any future guidance for modelling purpose, revenue as well as the margins, considering this is the quarter in many times that the company has reported such a good number of growth.

**Sushil Batra:** Outlook, we are confident. Definitely we'll sustain what we performed in Q4, but, geopolitical situations are so uncertain. It's tough to give a very solid statement. But still, we are very confident. We will maintain and definitely intent is to improve our margins.

Growth will come, and there is a price increase, volume, we have to maintain that also. So we are watching all this, I think, competition, geopolitical situation, etc. and we are confident definitely last 2 quarters, if you see Q4 is much better.

So things have started coming up and consumer sentiments are also not that down, GST is helping us. And overall, our treasury and overall balance sheet and so many factors are favoring us. So we are very confident with future, at least near future is good.

**Shraddha Kapadia:** Sir, any numbers if you could help us to quantify?

**Sushil Batra:** Quantifying the last year, we maintained the operating margin of around 13.8%. That is the full year, Q4 was much better. So we don't expect Q4 will be repeated definitely. But we intend to do better than last year overall operating margin, which is 13.8%. So it should be better, maybe 1% plus. That is the intent definitely, we are trying to.

**Shraddha Kapadia:** Sure, and anything if you could highlight majorly on the GT since you have mentioned that the GT has helped grow. So any changes or anything which you have witnessed?

**Gaurav Kumar Dua:** In GT, what we have seen is that there is recovery of demand in quarter 4, and it is going to continue what we are seeing. But we are closely monitoring after the price increase, how the consumer reacts. So we are keeping a close watch and let's see. We have changed the product mix also, we launched some products in different categories, not to leave the earlier price point also.

**Shraddha Kapadia:** Okay. So the newer would be the higher price points like you already mentioned?

**Sushil Batra:** Correct, correct. Moreover, we have planned for expansion in our own EBO model. We intend to open 100 stores. That is, I think, plan, and we are doing some new redesigning of the shops with better experience. So we have done one trial, so getting good response. So after that, we are very confident good footfall and good return, profitable return should come from that segment. And on the e-commerce side also, we are working. A lot of things we have done. So a lot of growth we expect that will come from that channel. So these are, I think, new initiatives which will add a lot of growth. So we are confident things should be better.

**Shraddha Kapadia:** Also, since you mentioned the EBO, so is there any target like Tier 1 cities, Tier 2 and 3 cities, if you have any plans or if you could help us understand more about the same?

**Gaurav Kumar Dua:** So now we are going to open outlet across India. Like earlier, it was basically North and East based. Now we have identified some gaps in West. And going forward, definitely, we will enter Southern market also, seeing and understanding the consumer preferences.

**Moderator:** The next question is from the line of Yogesh Bathia from Sequent Investments.

**Yogesh Bathia:** Sir, congratulations on good set of numbers. I have a couple of questions. So I joined the call late. Can you explain the reason why margins were higher in this quarter? Is it some specific inventory gain or we've taken price hike, and that's why we don't expect this to sustain? What is the reason?

- Gaurav Kumar Dua:** There are 2, 3 reasons for that. One was that a lot of back-end work is done in the plant to reduce the cost. Secondly, our volume has grown a lot. So the fixed cost remains same. The contribution has increased because of the volume and value and plus, we have reduced the discount given in the market also.
- Yogesh Bathia:** So there is no inventory gain or anything of that sort?
- Gaurav Kumar Dua:** We have taken a small increase in quarter 4. That is also one of the reason of improvement in margins.
- Yogesh Bathia:** Okay. And sir, my second question was, we mentioned somewhere in the call that we plan to set up 100 new EBOs. So can you explain us that what is the time line to do this network expansion? And as of now, how many EBOs do we operate?
- Sushil Batra:** As of now, we have around 400+ EBOs, but with new designs and new formats, we have started, we did one trial. So we are very aggressive. In first half, we will be able to open at least 30%, 40% of the 100. So, by December, most of them should be ready. That is the intent.
- Yogesh Bathia:** Okay. So in this 400, we will add 100 or this 400 maybe we will redesign and the number will remain still 400.
- Sushil Batra:** We will add new 100, we will add new 100 and 400 will continue with the same format, and we will change some, but all 100 will be new one.
- Yogesh Bathia:** So sir, last year to this year, our volumes have more or less remained flat. But this quarter, we have seen a significant jump in the volumes. So I wanted to know what do you feel about the volumes for the next two years? How do you see that happening? Not guidance, but qualitatively, what do you feel about volumes? And secondly, do you think that the mix will change significantly for Relaxo or the price range will remain at INR155, INR160 per pair going ahead?
- Gaurav Kumar Dua:** So Yogesh, it's a journey like -- for increasing ASP is going to take time. But definitely, we are focused towards premiumization. We are changing our product mix, but it's going to take time to see the impact in ASP. So it's not a short term, it's a long-term phenomenon. Every year, we are going to increase our ASP.
- Sushil Batra:** But with the EBO expansion and e-commerce growth, which we are foreseeing, so ASP will improve definitely because I think GT, there will be pressure. But on these 2 channels, to premiumization is going to happen, and it will increase overall ASP at company level.
- Yogesh Bathia:** Right, right. And sir, what do you feel about volumes for the next 2 years?
- Sushil Batra:** Next 2 years, I think we have to be cautious. Intent is there, again, around, I think, 4% to 5% definitely, we want to grow our volume. Price increase, we have already taken. So let's see how it impacts. But overall, we want to grow at least 4% to 5% in volume with product.
- Yogesh Bathia:** Our EBO expansion is 25% right now, then I don't think volume expansion can only be 4%, 5% because our network is only expanding 20%-25%.

- Gaurav Kumar Dua:** Agree, but EBO business is not that great. In our overall kitty, it's around 10%. So if we increase it to 25%, it's a high-value item. So volume will increase definitely, but not with that degree with that degree. So overall, at company level, when you are talking, 18 crores pair we sold last time. So that's not going to be that easy, but definitely, we intend to.
- Yogesh Bathia:** If I may ask one last question.
- Gaurav Kumar Dua:** Yes, please.
- Yogesh Bathia:** Sir, can you please give me the breakup of our network, like how many EBOs, how many MBOs touch points we have? What is the breakup for that?
- Gaurav Kumar Dua:** So we have mentioned in our investor report also that we are currently supplying to 70,000 retailers/MBO outlets. And EBOs are 420 outlets. These are our own. Plus, we are available on e-commerce platforms. We started with quick commerce also being present in Blinkit and Zepto, where we are getting a good response. Plus we are exporting to 37 countries. Okay.
- Moderator:** The next question is from the line of Archana Gude from IDBI Capital.
- Archana Gude:** I have 2 bookkeeping questions. Can you help me with the revenue contribution from Sparx Bahamas, Relaxo and Flite in FY26?
- Sushil Batra:** So we have 3 major brands. So our contribution from Sparx is around 40%; Hawaii is around 25% and Flite is 35%. This is the ratio among all the 3 major brands.
- Archana Gude:** Sir, how has been the Sparx journey in last 4, 5 years? Like any major category which you feel is really supporting the margin expansion more than the top line can be looked at? Any thoughts on which has been really helping us at margin level?
- Gaurav Kumar Dua:** So there is a good demand coming from sneakers and sports shoe category, which we think has a great future ahead. Plus, we are going to focus more on women and kids category, which currently is contributing less, but has a good future.
- Archana Gude:** Correct.
- Gaurav Kumar Dua:** We are focused more on those.
- Archana Gude:** Correct. Sir, just in terms of ad expenses, what was the amount in FY26? And how do we see for coming year?
- Gaurav Kumar Dua:** So our expenditure is roughly around 4% to 5%, and it varies between brand to brand, whatever the requirement is. And secondly, a big expenditure is also on performance marketing on platforms like Amazon and Flipkart. So that depends upon again brand to brand.
- Archana Gude:** And we'll continue to see the same kind of ratio of 4% to 5% of net sales for '27?
- Gaurav Kumar Dua:** Yes, correct. We try to maintain what we are going to spend on advertisement.

- Sushil Batra:** Spend will be like this, but we are changing, I think, overall digital strategy and so many things.
- Gaurav Kumar Dua:** Yes, that is there that the focus will be now more on digital front. And as you have seen, the customers moving from television to digital. So the spend is also accordingly going to shift towards those medium where consumer is present.
- Archana Gude:** We look forward to seeing good numbers like what we delivered in Q4 going forward.
- Moderator:** The next question is from the line of Sameer Gupta from IIFL.
- Sameer Gupta:** Sir, just one follow-up. So this 100 EBOs that you plan to do, our INR180 crores to INR200 crores capex guidance, does it include the capex for these EBOs?
- Sushil Batra:** In our case, spend is not that much. That amount is inclusive, by large, inclusive. So each store, we are going to spend around INR30 lakhs to INR35 lakhs per store, not more than that. So if you go for 100, it will be INR30 crores, INR35 crores. That's all, not a big spend. So that's part of INR200 crores.
- Sameer Gupta:** Got it. And given there will be retailing costs in the first few years, there will be a margin dilutive impact also. So given that you have also guided for 100 basis points expansion, this is despite the retail expansion, right?
- Sushil Batra:** Yes, definitely, because we have done trial also, there is a good footfall, good response, high-value product we are able to sell, and we have gone with exclusive article for EBO in addition to our GT. So margins, we have already expanded our margin in these stores. So, we don't see much pressure to come on the overall margin, and we are expecting 1%, which I referred, will be maintained at company level.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to the management for closing comments.
- Gaurav Kumar Dua:** Thank you, Sameer. This is all from our side, and we thank you all of you for joining the call. Looking forward to speaking with all of you again in the next call. Thank you.
- Moderator:** Thank you very much, members. On behalf of IIFL Capital Services Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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Disclaimer: This is a transcription and may contain transcription error. The company takes no responsibility of such errors, although an effort has been made to ensure high level of accuracy. Some minor editing may have been done for better readability. In case of discrepancy, the audio recordings uploaded on the stock exchange on May 29, 2026, will prevail.

Contact details:

Registered Address: Aggarwal City Square, Plot No.10, Manglam Place,

District Centre, Sector-3, Rohini, Delhi-110085 (India)

CIN: L74899DL1984PLC019097

Website: <https://relaxofootwear.com/>