May 28, 2026

National Stock Exchange "Exchange Plaza", C-1, Block G, Bandra- Kurla Complex, Bandra (E), Mumbai – 400 051.	BSE Limited 27th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.
Scrip Symbol : TTKPRESTIG	Scrip Code : 517506

Dear Sir,

Sub: Outcome of the Earnings Call held on 22.05.2026

With reference to our letter dated May 11 , 2026, intimating the Earnings Call, the **transcript** of the meeting is uploaded on our website and the link is as below.

https://ttkprestige.com/wp-content/uploads/2026/05/Transcript_FY-2025-26-_Q4.pdf

This is in compliance with SEBI (LODR) Regulations, 2015.

This is for your information and records.

Thanking you,

Yours faithfully,
For TTK Prestige Limited,

MANJULA K V Digitally signed by MANJULA K V
Date: 2026.05.28 11:18:20 +05'30'

Manjula K V
Company Secretary & Compliance Officer

"TTK Prestige Limited

4QFY26 Earnings Conference Call"

May 22, 2026

MANAGEMENT:	**MR. VENKATESH VIJAYARAGHAVAN – MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER – TTK PRESTIGE LIMITED** **MR. SHANKARAN – ADVISOR TO THE BOARD – TTK PRESTIGE LIMITED** **MR. SARANYAN – WHOLE TIME DIRECTOR AND CHIEF FINANCIAL OFFICER – TTK PRESTIGE LIMITED**
MODERATOR:	**MR. YASH JAIN – AMBIT CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to the TTK Prestige Limited Q4FY26 Earnings Conference Call, hosted by Ambit 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. Yash Jain from Ambit Capital. Thank you, and over to you, sir.

Yash Jain: Thank you, Yusuf. Hello, everyone. Welcome to TTK Prestige Q4FY26 Earnings Call. From the management side today, we have Mr. Venkatesh Vijayaraghavan, Managing Director and CEO; Mr. Shankaran, Advisor to the Board; and Mr. Saranyan, Whole-Time Director and CFO.

Thank you, and over to you, sir, for your opening remarks.

Saranyan: Good evening. This is Saranyan here. Before I hand over the proceedings to our Managing Director, Mr. Venkatesh, I just want to remind the participant, that in the discussions today, there may be certain statements that are futuristic in nature. Such statements represent the intentions of the management and the efforts being put in by them to realize certain goals. The success in realizing these goals depends on various factors, both internal and external. Therefore, the investors are requested to make their own independent judgments by considering all relevant factors before taking any investment decision. Thank you. Over to you, Venkatesh.

Venkatesh V: Thank you. Good afternoon. Let me start with an overview of the overall economy and then go specific to the industry. Like by now, we would have seen across categories and industries, the quarter has been a little volatile, volatile in terms of geopolitical tensions, in terms of supply chain disruptions, and also in terms of rising raw material prices across industries.

We've also seen a little bit of tempering in different industries on demand as well. And this continues to be a sort of a concern as we get into the next few quarters as well. Specific to the industry, though, I would say that the quarter has been slightly different, particularly on the appliances side, driven by opportunities around the cooktops.

The current volatile scenario has sort of presented an opportunity for some of the appliance categories, where consumers have been replacing some of their existing categories at home with induction cooktops and so on. So that has sort of presented a very tactical short-term growth opportunity.

And at an industry level, therefore, we've seen demand sort of perk up, driven by some of these very specific interventions that have happened in the quarter. Overall, though, the pressures of supply chain, the pressures of rising raw material prices, and also the uncertainty of geopolitical tensions continue to weigh on this industry as well, as it has been seen across the country.

Overall, though, we do believe in the long term that the category seems to be having a robust demand and is being driven, as in the past, by a very strong replacement cycle in some of our kitchenware categories and a very smart adoption of appliances in some of the kitchen spaces as well.

So the long term continues to be robust as we have maintained in the past. In the short term, there are pressures around these tensions that we mentioned. The specific quarter of Q4 has been good for the industry, and it has been good, particularly for TTK Prestige as well. From a TTK Prestige perspective, we had a quarter 4 growth of around 14.4% for the domestic market.

We had a little bit of a setback on the exports, given the scenario of a disrupted supply chain, while we did have supply-related or order-related demand generation, but we were constrained by the supply chain issues that we've had, challenges that we've had globally.

So overall, the domestic performance of 14.4% and company level 12.5% for the quarter. This, like I said, is driven by certain opportunities that we leveraged in the quarter, but also to say that the structural changes that we've been doing over the last few quarters have also started to yield results for the company.

That is one of the silver linings that I would like to highlight, saying that as we move forward, these transformational changes will bear fruit continuously as we moved. Our operating EBITDA is at INR81.7 crores, a growth of 43.8%. Profit before tax at INR71.9 crores, a growth of around 35.9%.

So the quarter overall has been a good financial quarter, backed up by robust consumer demand and also seeing the impact of some of the initiatives that we've kick-started over the last few quarters as well. Those initiatives will continue to be invested upon, continue to be scaled up, and that should be yielding good results as we move as well.

We have specific exceptional expenses across some of the legal changes that we had to incorporate in terms of the new Labour Code, and that's been highlighted in the report as well. From a year perspective, it's been a good year. We ended the year with a 9.8%. Again, a little bit of a dampening that happened because of our exports business.

But otherwise, overall domestic business is at a 9.8%, and the company is at a 9.6%. Operating EBITDA, with a growth of 12%, continues to do robustly well. The profit after tax is around INR185 crores, a growth of 14%. So overall, a good robust year as well, backed by a very solid performance in Q4 is the way I would put it.

And we do believe that both internal changes as well as the market is giving us an opportunity to consistently perform well as we move forward. So that's the way I would sort of summarize it. Overhang of some of these challenges continues to be there for the next few quarters. And we do hope that we would be able to sort of ride over them tied up and move faster as we move forward.

Thank you, and over to you for the questions.

Moderator: Thank you very much, sir. We will now begin the question-and-answer session. First question is from the line of Sameer Gupta from IIFL Capital.

Sameer Gupta: Congratulations on a good set of numbers. Firstly, sir, despite input cost inflation in major commodities such as aluminium, steel, and copper, we have seen a gross margin expansion this quarter. So, just trying to understand what is driving this? Is it because appliances, or particularly cooktops, operate at a materially higher gross margin? Has the company taken price increases? If yes, can you quantify? Just can you give -- provide some colour on this aspect, sir?

Venkatesh V: So Q4 has not seen the impactfully of pricing. We did do a price increase towards the middle of the quarter. The impact of that would be felt partially in Q4 and partially in Q1. So I think the numbers that you're seeing is a combination of our internal inventory management. We do believe that the inventory management in the past has helped us, but that would be coming under pressure as we move forward.

So the pricing that you see, the margins that you see are not entirely reflective of the price changes that have been taken. Price changes will be sort of reflecting in the coming quarters as we move. This is a combination of internal inventory management and also, in terms of, like you have mentioned, some of the categories have high gross margins, and they have picked up during the quarter as well, the product mix.

Saranyan: Yes. In addition to that, we have also taken a lot of initiatives on the cost reductions on our manufacturing side, our sourcing side, as part of our long-term initiatives. That is also giving us a good amount of improvement in the gross margin.

Sameer Gupta: Got it, sir. Second question is on the appliances growth of 20%. How much would this be, excluding induction cooktops, or let's say, if you want to normalize for the frenzy that we saw in the March quarter, what would be the growth? And is this momentum kind of continuing in 1Q, or have we kind of seen a normalization to that aspect, or do you think that this frenzy will continue until situations normalize globally?

Venkatesh V: So, I think to answer your question, appliances in general, there has been an impact of the induction cooktop. That is for sure. I won't be able to quantify it at this point of time. But even without the impact of induction cooktop, there's been a reasonable growth in the appliances side.

So, the category seems to be sort of bouncing back is the point that I would make. That's from a first question perspective. The second question, -- there is a little bit of the trend continuing into the quarter as well. We're not too sure as to how long will this sort of move in.

But we do believe that the impact -- current impact of the global volatility is still reflecting on some of the changes in the appliance one. We're only happy to see that the adoption of induction cooktops seems to be robust at this point in time. So I do believe that this also has sort of helped drive the adoption of induction cooktops as a category, which may continue for a couple of more quarters. The induction cooktop is generally at a flattish pace. They've started to grow faster now.

Sameer Gupta: Got it, sir. Last question, if I may squeeze in. What is the kind of inflation that the company is witnessing in the input cost basket in the current quarter post the West Asia conflict? So, your input cost basket specifically, what kind of growth or increase are you seeing at this current juncture?

Venkatesh V: So, at an average, we would say it's around 10%. We've seen increases in specific areas of around 15% as well. Post-war scenario, there is a definitive increase of close to around 10%.

Sameer Gupta: Got it. And we plan to mitigate this by entirely taking on price hikes? Or do you think that some margin pressure is going to come in?

Venkatesh V: We would look at it more progressively as we see it. We're also weighing it against the demand situation as well. So, we would take the price hikes in accordance with what the market responses, but price hikes are inevitable.

Moderator: Next question is from the line of Lakshminarayanan K.G. from Tunga Investments.

Lakshminarayanan K.G.: I just wanted to understand for the full year what is the expenses for consulting engagements, which I think you called out a couple of quarters back. I just want to understand how much that charge would be for the year? And how much would be the charge for the coming financial year or FY '27?

Saranyan: See, we have been engaging not just with one consultant. We are engaging with multiple people, consultant and experts, in various areas. We have already called out those expenses. Not all will be consultant related. All the related expenses on the long-term strategy we are called out separately, both in the financials, which have presented, as well as in the investors presentation.

As we had indicated before, we will be spending close to around INR 200 crores in the 3-year period, which we started in Q4 of last year -- Q4 of FY '24-25'. So, this will go on for few more quarters. These expenses will be incurred, and this will be in various forms, may not be on consultants alone. It will be in various other forms as we move forward. But we are and as we need, we are spending those monies.

Lakshminarayanan K.G.: Got it. And as we get into the next year, what would be the key priorities for the company in terms of product innovation, second, in terms of channel, and third, in terms of cost rationalization?

Venkatesh V: So, what you see today, as I mentioned, there is a clear focus in all the 3 aspects that you mentioned. The product portfolio very clearly is one of our main strengths in this growth, as we display right now. So, 2 aspects of it. One, clearly looking at superior design, superior innovations in the product portfolio.

As of today, we've also now sort of leading in all categories that we are strong. We've been able to lead in terms of both innovation and in terms of the spread of the products as well. So, products continue to be the fulcrum of our growth, driven by innovation, driven by design, and a lot of investments that have gone particularly into our R&D as well.

We opened our new innovation centre for design and appliances. We've invested further into our existing R&D infrastructure for kitchenware as well. So, the product continues to be a very clear strategic choice that we have made. And that will -- you will see play across multiple categories, not just in terms of specific innovations, but across the depth and width of the category as well, leveraging our distribution moat that we have.

In terms of cost, like our CFO had mentioned, we kickstarted a lot of cost initiatives over the last 4, 5 quarters, some of it which you're seeing reflecting in the gross margins as we look at it today, some which will continue to get reflected as we move forward, a very specific targeted focus on cost in and around not just the raw materials or not just around procurement, but around processes, but around the overall P&L aspects of the business.

So, these 2 are clear sort of distinguished markers that we've been able to bring them together. We've always been an omnichannel focused company, be it e-commerce, be it quick commerce, be it large format stores or general trade. Our current growth are as a result of a turnaround that we can very clearly see around general trade and also consolidating our leadership position both in large-format stores and e-commerce as well.

Quick commerce is a new addition to the portfolio. We've done reasonably well in quick commerce. And we do believe we are amongst the -- we are leading the path in quick commerce as well. So, I think combination of product cost as well as investment into the right capability building that we need to do, that remains the fulcrum of the organization with a very clear omnichannel focus.

Lakshminarayanan K.G.: Got it. And the Prestige exclusive, what's the kind of growth you expect in the coming years?

Venkatesh V: Prestige exclusive continues to be our competitive mode, I would say, our competitive differentiation for us. It helps us leverage direct contact with the consumer to understand more of consumer insight. At a business level, it contributes close to around 12% to 15% of our business and continues to be growing robustly in double digits.

So, I think the channel is leveraged well. We are close to around 700-plus stores now, and we continue to add more stores in different geographies. So, the channel continues to be of very strategic importance for us and leverage, and it's getting leverage for its growth opportunities as well.

Lakshminarayanan K.G.: Got it. And the cookware had actually -- across the segment that has actually grown higher. Can you just call out 2 or 3 product innovations in cookware that have actually led to a strong growth for the last year?

Venkatesh V: Cookware is being driven by 2 or 3 specific levers, that I would say. One, very clearly, the new material cookware, which is centered around stainless steel, triply, cast iron, a lot of this material have sort of got launched. We have actually, like I mentioned, strengthened our portfolio, expanded our portfolio both in depth and width.

And that is one of the driving forces for the cookware growth. And that, my belief, would continue. So, it's sort of an accelerated demand generation that is being driven by innovation around new materials. And while we were late initially, in the last 1 and 1.5 years, we've been sort of leading the category in terms of innovation across all material formats in the category.

So that, I think, is the one important aspect of why cookware continues to grow. The second is that there's a lot of new innovation that's coming around in ceramics, and that seems to be sort of leveraging replacement or expanding the non-stick category as well. Ceramic seems to be on a growth track, and that's being leveraged.

So, these are 2 reasons why I would say that the cookware category is on a growth trajectory and would continue to be so. E-commerce seems to be leveraging as a channel, e-commerce seems to be leveraging cookware very strongly, and that's one of the growth levers as well.

Lakshminarayanan K.G.: Got it. And one question regarding cooker. So, what is the broad -- there has been a trend of movement towards stainless steel from aluminium cookers. Is that thing still visible? And what kind of mix is there in terms of aluminium/stainless steel cooker? And is -- I mean, are all the cookers also moving towards induction-based cookers so that, that gives us a higher ASP?

Venkatesh V: Our product portfolio is all induction-based. So, we have taken the call a couple of years ago proactively. So, all our product portfolios at large are induction-based. Cookers, as a category for the industry, have moved towards 50% to 55% of stainless steel versus around 45% of aluminium. This happened industry wide as well.

So, I think the movement to stainless steel has already happened in cookers. And that is also one of the reasons the cooker category will continue to see a reasonably good growth for the next couple of years.

Lakshminarayanan K.G.: Got it. And all the accessories in terms of consumables, that is all in the others. That's how you call out, for example, the cooker washers, etc.?

Saranyan: Yes, these are all part of the others.

Moderator: Next question is from the line of Nikhil Upadhyay from SIMPL.

Nikhil Upadhyay: Congrats on a good set of numbers. Two questions. One is on the competition aspect, like as you said in e-commerce and quick commerce, we are doing well and even GT has worked out well for us. Are you seeing more incremental competition coming in, in the kitchen category? And is the competition coming on pricing, or is the competition or even larger branded players now focusing more on innovation rather than pricing? So, how is the market and players' focus changing in the industry? And how is the consumer focus changing? That is one.

Secondly, sir, like as you said, GT has grown well for us. And -- so would you say this trend of change in the growth rates at the GT was happening for a few quarters now, or is it like something you have seen in this quarter only? Some sense on -- is this a trend that was playing out and has accelerated now, or is it just started today, like from this quarter on?

Venkatesh V: So, GT, general trade, I think, has been more specific to the company. The overall pressures on general trade have always been there, given the aspects of large format stores and e-commerce being very aggressive on growth.

I do believe that there's a little bit of a growth rebound that's happened in general trade, but I would sort of look at it -- general trade growth has been very specific to the initiatives that we have taken at a company level, increased distribution, and sort of distribution hygiene and other related work that has happened in general trade.

So, my sense is general trade continues to be a little bit of -- at an industry level continues to be a little bit of a lag compared to large format stores or e-commerce. It's been very specific for us, and I think that is quite heartening for us that some of our initiatives are bearing fruit. And we do believe that will last -- like we said, we're investing in a couple of initiatives that should help us get this growth forward as well.

That's from a general trade perspective. In terms of new brands, I would say any category or any industry that attracts new brands intensively means that the potential to grow is faster. And therefore, I would believe that we are in the right set of categories of growth because competition is also one of the right indicators to say the category is attractive enough to grow.

So, I think the category growth is robust, and that's probably sort of attracting a lot more new players into the category as well, particularly in cookware, in kitchenware and cookware in particular, and a little bit of small domestic appliances. Most of these players have come in on the weight of pricing.

While 1 or 2 players have looked at it from an innovation perspective, but I think a large number of players have come in from pricing and from a D2C model of being able to aggressively invest into the e-commerce channel. But at a profitability level, how long will this last? How long will this sort of -- how would it pan out? We will have to wait and see depending on how the whole thing moves out.

So, our belief is the category is growing good enough to absorb this competitive intensity at this point of time. We are not too worried about it. What we are more focused on is the consumer. And like I said, we are focused on our product portfolio. We are focused on our product design so that we have the rightful share of our market.

And the focus is more on consumer channel, letting competition do as what they would -- or what they are expected to do. Currently, this space is not so big. We do believe that, that space is not too big for us to immediately sort of worry about, but we keep our eyes on it.

But our larger focus is very clearly on leveraging the category trends like upgrades, like I said, material-led upgrades that are happening in cookware, smartification of kitchen is happening through smart domestic appliances. That is what we are more focused on and bringing in more innovation into the picture.

Nikhil Upadhyay: Okay. And just one follow-up. See, in many similar categories on household side, what we have seen is that when competition came in and like by leaps and bound they came in, the gross margin or the profitability economics of the category got impacted and every player started focusing more on premiumization and had to get out of the low-end segments to retain the economics and all. Are you seeing such a scenario playing out in kitchens as a category or are you saying even at the low end, the economics are still good enough for someone to play?

Venkatesh V: So, our belief is there are 2 different segments, and we've maintained this in the past as well. The category that we play in very clearly, we do see 2 different consumer segment-led opportunities, one at the price point and the product positioning that Prestige as a brand has got. And the second is there is a large market that's opening up in Tier 2, Tier 3 towns, driven by a set of unbranded players and conversion from branded to unbranded by a set of few players.

Specific to your question, I think both the opportunities are mutually exclusive in our mind. And if played well, they can be played. We do play in the mass segment with Judge, but that's only to a limited extent, but we play it at an independent level. So, we do not -- so we don't see the pressure of margins getting impacted because of that. And I think it needs to be played independently. Both have their own P&L structures that can be played upon.

Nikhil Upadhyay: Just last question. So, if we look at -- and I'm not asking to share the numbers or anything, but if we look at Judge's P&L versus the TTK Prestige brands P&L, would both be at an equivalent gross margin or an EBITDA margin would be similar or how one should think about it?

Venkatesh V: So, I think it will be too early for us to comment on that at this point of time. Over a period of time, we definitely believe that Judge as a brand would have its independent standing in terms of P&L as well. Right now, I think it's too early for us to comment.

Moderator: Next question is from the line of Praneeth from SJ Investments.

Praneeth: So, in terms of exports, we had a focus and last time you mentioned that again, you're not focusing again. Could you explain on the broad sense? Are we trying to become an exporter of these white label products or we are just focusing on the domestic play right now?

Venkatesh V: Currently, our priority is on domestic play. We continue to maintain the exports business. We are not dropping the business. We continue to maintain it. And before the current scenario, we were growing at 20%, 22% on a smaller scale. So that growth on a smaller scale will continue to happen. But very clearly, our priority is the domestic market.

Praneeth: And sir, in domestic market, apart from cookware, as you already mentioned, what are the other segments you are seeing traction from, let's say, small appliances? How is the overall category doing? Because you experienced significant growth and so did your peers. I'm just trying to understand why is the sudden growth? Is this because of GST? Or is it because of the BIS norms and other things also?

Venkatesh V: No, it's an overall demand generation that is happening. Quarter 4 has been very specific to the interventions that happened around the cooktops and certain related -- economic-related constraints that people had a repetitive shift to appliances. But at an overall level, if you were to look at our appliance business is growing at 10% and the kitchenware business is growing at 10%. So, I think the growth has been robust for both the categories.

Appliances are being led by small domestic appliances, innovations around small domestic appliances and also in terms of some of the premiumization that's happening in the other categories as well. So, appliances, I would say, is anchored around premiumization at large. Kitchenware is anchored around a lot more replacement acceleration that's happening around cookers and cookware.

Praneeth: But -- so basically, right now, what about the little -- so I think we primarily with small and medium-sized appliances side. So, has there been any -- so what is the overall trajectory there? Are we just focusing on, let's say, sub INR1,000 segment? Or what is the overall band like at this point of time in small appliances when you mean premiumization?

Venkatesh V: Small appliances are not defined by the price point. They are defined by the utility basis. For example, we wouldn't consider mixer grinder a small appliance. That's an independent category, toasters, kettles, air fryer. So, a lot of new appliances that come in, induction cooktops -- for induction cooktops, they have been kept as a separate category. So, these are the small domestic appliances that I would say.

Praneeth: Understood. So, in terms of appliances apart from mixer grinders and induction cooktops, rest of the -- all of them fall in the small appliances bucket. Understood. So, do you expect this 10% growth continue? Or do you think that you can make it a little higher based on the price increases on the premiumization segment?

Venkatesh V: We would love to, but I think it's too early for us to comment. But as always, we are also greedy for growth.

Praneeth: Understood, sir. And in terms of the retail strategy, could you elaborate on how the execution was, because we are quite aggressive in the last few calls that we want to grow substantially in our store count. So, in terms of store count or, let's say, franchise onboarding, how are we doing right now?

Venkatesh V: So, we are on track with that plan. We continue to grow faster both in terms of top line and in terms of the infrastructure expansion as well. So, we opened around 100 new stores. So, we continue to keep expanding the footprint of our exclusive stores, and they are amongst the significant growth drivers for us as we continue into the next few quarters as well.

Praneeth: Understood, sir. So -- but are there any specific markets we're targeting right now, or are we saturated already in terms of stores?

Venkatesh V: It's an all-India play. We've got stores all across the country. So rather than a country play, we go by towns, and we go by potential localities as well. So, it's an all-India play.

Praneeth: So, is that -- are you entering more into Tier 2, Tier 3? Or how is it like? So you're mentioning that? Because in Tier 1, I think you're already fairly prominent, right? So I'm just trying to understand which markets we are able to grow these numbers.

Venkatesh V: We will sort of give you that as we move forward. Right now, I think I would not like to sort of discuss that in this call right now.

Praneeth: Understood, sir. So, on a broad base, in terms of profitability, do you think this is the level we'll probably maintain at? Or do you think we can grow faster than the revenue as our economies of scale kicks in?

Venkatesh V: No, we would -- while I don't want to sort of give guidance on this. We continue to invest in capabilities and product capabilities and other related ones, as we had mentioned, we had a plan of INR200 crores over 3 years, and also capital deployment of close to INR300 crores. Both in terms of opex and capex, we are now investing and that would continue for at least a year or so plus. So I think we would not want to give any guidance on that. But suffice to say that enough and more investments are being done to drive the top line growth harder.

Praneeth: Just one more clarification on, let's say, our capability building. So how much part of our, let's say, production is outsourced today? And is there any benchmark we would like to reach in terms of in-sourcing to gain margin, or, let's say, more control over our supply chain?

Venkatesh V: So, our entire kitchenware is in-sourced. We have our own manufacturing facilities for kitchenware. As far as appliances are concerned, we have exclusive partners in a way, they are in-sourced. The partners are external, but they are exclusive to us in terms of our production capabilities. And therefore, I would say it's a hybrid of in-source versus outsource, more towards in-sourcing. Given our investments in them in terms of processes and quality, over the last few quarters, we've invested in quality systems with them.

So, I think we believe that it's a combination of in-sourcing and outsourcing, but with very clear focus in ownership on quality on the product as well as the design. So, to that extent, I think we would not sort of look at complete outsourcing. It is a combination of outsourcing with process control and quality control that remains with the company.

Praneeth: Understood, sir. But when you -- since already brand has such high regard in the market, you're able to do this. So why do we need to deploy the INR200 crores or INR300 crores we have in mind in terms of capability building. We can just ask, let's say, an exclusive vendor to come up with the facility and all of that, right?

Venkatesh V: No, no. So okay. I sort of responded to you from a manufacturing footprint perspective. In terms of -- in terms of people and in terms of processes, we've substantially increased our internal capabilities, and these investments have gone into our internal capabilities around R&D infrastructure, around design infrastructure and people around marketing investments and also around understanding channel nuances better, given that we are an omnichannel partner. So I think the brand, like you mentioned, is quite strong. But to do justice to the brand, I think some of the capabilities have to be sort of enhanced, and that's the work that's happening right now.

Praneeth: Okay. So as I understand it, in terms of capability, it's more into people, let's say, process rather than just manufacturing facility, right?

Venkatesh V: Yes. Manufacturing, we have invested on capex expansions in some of the factories.

Saranyan: It will be across. It's not just in one particular area. We are doing it what is good for the organization, we are doing it across.

Praneeth: Understood, sir. So -- but wouldn't spending a little more on, let's say, manufacturing improve our margins? Like I understand that since we already have quite semi-premium player and we also have good margins already, why doesn't it make sense in terms of expanding our footprint to gain margins and other things?

Venkatesh V: No, we are doing that. So, one of the reasons you see the gross margins becoming steady or increasing is also because like our CFO mentioned, a lot of initiatives have gone into process corrections at the manufacturing level as well. So, I think we are well seized of that opportunity.

Praneeth: Got it, sir. And just a little more clarification regarding our operational expenditure where we wanted to spend. You split it basically almost half and half in terms of capability versus opex, right? So I was wondering, opex, where would it exactly go? Would it be more inventory in the channel so that it is an experiment? Or would it be giving more credit days so that we get -- we get easier traction in the general trade or something like that?

Saranyan: Some of these things are very confidential -- sorry, competition sensitive. So we don't want to discuss that over a call like this. But what we are ensuring that it is deployed at the right area, which, as I was mentioning before, which is going to give the company a long-term standing.

Praneeth: Got it, sir. So, just as I understand it, we want to become a more, let's say preimmunized player their going time by maintaining volumes than just growing volumes. Is that a fair understanding?

Saranyan: I think some of these things, I think we will not be able to discuss on an open call. We are doing what is right for the organization. That's much only I can tell you.

Moderator: Next follow-up question is from the line of Lakshminarayanan K.G. from Tunga investments.

Lakshminarayanan K.G.: From the ad spent point of view, what kind of budget you plan for FY '27? And what was it for FY '26, given the fact that there is almost 30% of the products are new in nature. And I'm sure you will be expanding or increasing the budget towards advertising both below the line above the line.

Saranyan: We don't want to give any guidance in this regard. I think we will not be able to share what we want to -- what's going to be our budget for the next year. As Mr. Venkatesh has already mentioned before, we are greedy for growth. We look at what best we will be able to do, we'll definitely do.

Lakshminarayanan K.G.: What is the amount for FY '26?

Saranyan: On what?

Lakshminarayanan K.G.: On advertising sales and promotion?

Saranyan: No, that is again the guidance. We will not be able to give that out.

Lakshminarayanan K.G.: For the concluded year.

Saranyan: Yes. Normally, we spend anywhere between a 5% to 6%. That is the number that we normally spend.

Lakshminarayanan K.G.: Got it. And in terms of the multiple facilities, we have and there has been a round of reduction in workforce and there has been an increase in automation, etc. Can you just help me understand what kind of utilization you are operating across your facilities at a gross level? And in terms of growth, do you actually need additional expenditure towards any of your facilities?

Venkatesh V: Like I said, we've been continuously investing on capex. The kitchenware would probably be operating at 85% plus; the appliances operate similarly at around 75% to 80%. And we continuously keep expanding where required. Recently, we had invested in our triply facility for our cookware in Karjan.

So that expansion continues to happen. It is based on volume projections. And we do believe that in the next 2 years, we will find capex expansions happening in cookware in particular and also across the appliances as well. So, we are well positioned to capture any demand -- sudden demand shoot up that can happen. And capex is also being planned over the next 2 years.

Lakshminarayanan K.G.: And you mentioned that 3 categories, which is ceramic, triply and cast iron, these are pulling up growth in the cookware. Is it in the range of more than 20% at an industry level, not especially for you because one can see that even across some of the other players? Are these 3 things growing at a very, very healthy clip? And what is the industry growth for these 3 categories?

Venkatesh V: Yes. These categories are growing at 20% plus.

Lakshminarayanan K.G.: And one last question from my side. There has been -- because of GST, there has been some channel filling, etc. Now has there been any growth that actually shifted from Q3 to Q4 because of that? And second, whether all the channel inventory has been normalized as we speak now?

Venkatesh V: The channel inventory is normalized. Not much of impact because of GST in the Q4 performance as well. So, I think we are on -- there are no specific inventory-related challenges or inventory-related normalization to be done for the quarter.

Moderator: Next question is from the line of Anuj Sehgal from Manas Asian Equities Value Fund.

Anuj Sehgal: [Inaudible 0:41:37]

Moderator: Mr. Anuj, you are not clearly audible. I request you to please use your handset. You are not clearly audible. As there is no response from the current question, we will move to the next follow-up question from the line of Praneeth from SJ Investments.

Praneeth: So, I was wondering, so I understand that right now, the last year and the next 2 to 3 years, we're likely to invest in our process and people and all of it as a result our margins are compressed. But do you think in the next 4 years can we get back to our older margins of around 13% or when do you think we can get back to our old margin base?

Saranyan: See, as we had mentioned even in the previous quarters, I think in the next few quarters, we'll have the investments we will be getting in. So, there will be a dip in the EBITDA margin. Our expectation is once these investments are done and then once we start seeing the results out of these investments, we should get back to our -- the earlier margin of around 13%, 14%. That's our target. We are working towards that.

Praneeth: And these investments will probably go until next 2 more years, sir or is it next year?

Saranyan: Yes, it will go almost for 2 more years, yes.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

Venkatesh V: Thank you. Thank you for an engaged session. We look forward to many more good quarters as we move forward and happy to see some of these initiatives bearing fruit as well. And we look forward to some of these volatilities curbing down so that business can come back to normal. So, thank you. And once again, thank you for a good session. Thank you.

Moderator: Thank you, sir. On behalf of AMBIT Capital, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines.