



February 12, 2026

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EQ**
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Sub: Transcript of Investor Conference Call dated 6.2.2026

Dear Sir/Madam,

With reference to the captioned subject, we hereby enclose the transcript of Investor Conference Call held on February 6, 2026 at 17:00 Hrs (IST).

You are requested to take the same on record.

Thanking you,

Yours faithfully,

For Cantabil Retail India Limited

(Poonam Chahal)
Company Secretary & Compliance Officer
FCS No. 9872
Encl: as above

CANTABIL RETAIL INDIA LTD.



“Cantabil Retail India Limited Q3 and 9 Months FY '26 Earnings Conference Call”

February 06, 2026

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the Company's website will prevail



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



Cantabil Retail India Limited
February 06, 2026

Moderator: Ladies and gentlemen, good day and welcome to the Cantabil Retail India Limited Q3 and 9-Month FY '26 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes.

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

Should you need assistance during this conference call, please signal an operator by pressing ‘*’, then ‘0’ on your touch-tone phone. Please note that this conference is being recorded.

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

Vijay Bansal: Good evening, everyone. On behalf of Cantabil Retail India Limited, I extend a warm welcome to all participants joining us for the Q3 and 9-month FY '26 Earnings Conference Call.

Joining me today are Mr. Deepak Bansal – Whole-Time Director; Mr. Basant Goyal – Whole-Time Director; Mr. Shivendra Nigam - Chief Financial Officer; Mrs. Poonam Chahal - Company Secretary, and our Investor Relations Advisor from Marathon Capital.

We trust you have had the opportunity to review our Q3 and 9-month FY '26 Results. The Earnings Presentation and Financial Statements are available on Stock Exchanges and the company website. We are proud to report another landmark quarter with profit of INR 45.1 crores, reflecting the strength of our strategy, robust 9-month FY '26 performance, including 20% revenue growth, 27% PAT growth, and a strong 6.3% same store growth SSG, demonstrating the enduring trust of our customers.

The recent GST rationalization has provided a meaningful boost to consumer sentiment. Further, sporting demand across our portfolio will continue to expand our footprint while deepening customer engagement. We believe that companies with strong brand equity, fast execution, and extensive retail reach are best positioned to capture this upstream. Our continued investment in store expansion, product innovation, and customer experience provide a solid foundation for the next phase of growth. Importantly, we are progressing well on our Vision 2027, a strategic blueprint aimed at expanding our retail presence and reach, improving efficiencies, and cementing centralist positions as a dominant force in India's fashion affair landscape.

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

Shivendra Nigam: Thank you, sir and a warm welcome to everyone.

Standalone performance highlights for Q3 FY '26:

Revenue from operations for Q3 FY '26 grew by 19% to INR 264.4 crores as compared to INR 222.6 crores in Q3 FY '25. EBITDA for Q3 FY '26 grew by 31% to INR 95.2 Cr as compared to INR 72.5 Cr in Q3 FY '25. EBITDA margin for Q3 FY '26 improved to 36% as compared to 32.6% in Q3 FY '25. PAT for Q3 FY '26 grew by 31% to INR 45.1 Cr as compared to INR 34.4 Cr in Q3 FY '25. PAT margins for Q3 FY '26 improved to 17.1% as compared to 15.4% in Q3 FY '25.

Now, standalone performance highlights for 9 months FY '26:

Revenue from operations for 9-month FY '26 grew by 20% to INR 599.1 crores as compared to INR 501.3 crores in 9 months FY '25. EBITDA margins for 9 months FY '26 grew by 27% to INR 186.2 Cr as compared to INR 146.4 crores in 9 months FY '25. EBITDA margins for 9 months FY '26 improved to 31.1% as compared to INR 29.2% in 9 months FY '25.

Coming to PAT for 9-month FY '26 grew by 27% to INR 66.5 crores as compared to INR 52.3 crores in 9 months FY '25. PAT margins for 9 months FY '26 improved to 11.1% as compared to 10.4% in 9 month FY '25.

On the operational front, we continued to scale efficiently with a total of 646 stores across the country, covering a total retail area of 8.82 lakh square feet. These results affirm the strength of our business model and our ability to drive consistent, high-quality growth. We may now open the floor for Q&A session. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Pavan from Ratna Traya. Please go ahead.

Pavan: Can you explain what is the square feet for the mature stores that you have used to calculate the SSG? And what is the revenue per square feet?

Shivendra Nigam: I think the voice is not clear. Your question is, what is the per square feet sale in terms of matured stores and how, right?

Pavan: What is the square feet area that has been used to calculate the SSG, which is for the matured stores? And also, what is the revenue per square feet of the matured stores that has been used to calculate that particular SSG?

Shivendra Nigam: I can broadly give you the answer. If I take my L2L per square feet sale, which we can be considered as matured. Last year, the overall store running for the quarter, it is INR 1,018 as

compared to INR 962 last year. And if I take 9 months, it is INR 790 per square feet as compared to INR 743 per square feet last year, which can be taken L2L as a matured store.

Pavan: That is the revenue per square feet. That is the number that you gave us, right?

Shivendra Nigam: Yes. Revenue per square feet, yes.

Pavan: And what would be the square feet that you have used to calculate it exactly?

Shivendra Nigam: Our total area is 8.82 lakh square feet. But the question I replied in terms of L2L, that is 7.08 square feet lakhs. Because for this matured store, I am taking the definition of L2L and the difference is this one. So new age store in last one year has been removed.

Pavan: Right. Got it. Thank you. So the answer I got was it was INR 1,018 revenue per square feet for the older stores, correct?

Shivendra Nigam: L2L, yes.

Pavan: Thank you.

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

Ankit Shah: Thanks for taking my question. Sir, employee cost is very well controlled. So how are we managing this in spite of the store expansion? Can you help us understand this better and also share the trajectory going forward?

Shivendra Nigam: So what I got the question is salary is being maintained, right?

Ankit Shah: Yes. So employee cost, yes, salary cost is very well controlled. The salary cost is not growing that fast in spite of the store expansion. So how are we able to manage this and the trajectory going forward?

Shivendra Nigam: So our store is approximately 9%-10%, right? So this is the third quarter. So obviously, when the third quarter revenue is higher, but overall, 10% is my salary cost at the front-end level and going forward, the trajectory will be approximately same. So we are controlling in a manner that this is approximately plus minus half percent is a different thing. Otherwise, it is approximately 10%, 9%-10% and going forward in the same trajectory.

Ankit Shah: Can you share the number of stores in the franchise model as of December 25?

Shivendra Nigam: The total number of franchisee stores is 131 out of total 646, which is 20%.

Ankit Shah: Perfect. And sir, in case of franchise stores, the inventory is on their books or is the inventory in our books only? The financials inventory is not in franchise stores?

Shivendra Nigam: In all the stores, including franchisee stores in company's book, it is a stock transfer and all the merchandise which is sold to the end-user is in company's GSTN. So including franchisee stores, all 646 store inventory is coming in company's book.

Ankit Shah: Perfect. So in case of franchisee, they own or rent the store on their books, but inventory is out?

Shivendra Nigam: All the front-end cost is there. They are getting a fixed commission, net of GST, whatever they are selling in a monthly basis, they are getting a commission, which is in the range of 27%-28%. And all the front-end costs, including rentals, salaries of their employees, electricity, all front-end costs to be borne by them. And we are taking the deposit against the inventory, what we are supplying.

Ankit Shah: Perfect. So the commission expense in the annual report that was about 6%?

Shivendra Nigam: Largely that.

Ankit Shah: So this is that. So that is from my side. Thank you.

Shivendra Nigam: Thank you so much.

Moderator: Thank you, sir. The next question is from the line of Naitik from NV Alpha Fund. Please go ahead.

Naitik: Hi, sir. Thank you for taking my question. Sir, my question is, we have seen about 5% or 6% of SSG were taken and with that, we have done almost 26% pre-invest EBITDA margins. And if I look at your 3Q, it is usually very good in terms of EBITDA margins, both in topline and margins. So I want to understand the seasonality better, because if I look at the gross margins, they are not as high, but your EBITDA margins are. So it is clearly not better pricing that you are getting in 3Q, which is leading to this. So I want to understand the seasonality in the margins?

Shivendra Nigam: Absolutely. So we need to understand how the sales is going, right. So always Q3 is better in terms of sales, because ticket value due to winter is high. Now, the margin is same, 60% margin, quarter-on-quarter, we have been maintaining, but the store expenses are mostly fixed in nature. So that is why I always see third quarter EBITDA, or in fact, PAT margin is always very high, because sales are higher and better margin we are getting, because mostly fresh sale is also there. So third quarter sale, in terms of, we are maintaining, obviously, the gross margin at the same level. So that is why this quarter, particularly your EBITDA margins is high.

Naitik: Got it. So basically, if I were to put it in one sentence, it is because the ticket size is higher, average bill values are way higher compared to other quarters, that gives us more leverage?

Shivendra Nigam: Correct. Absolutely.

Naitik: And sir, another question is, there was some gratuity provisions or changes made. So have we taken those in the employee cost or we have to take it or the impact?

Shivendra Nigam: All been considered. All the gratuity, employees, quarter-on-quarter basis, everything has been considered. There is nothing, we are already providing the new labor law code. So everything has been taken care of. Everything is in account for in these numbers only.

Naitik: Got it. That is it from my side. I will fall back in the queue if I have questions. Thank you.

Shivendra Nigam: Thank you.

Moderator: Thank you, sir. The next question is from the line of Harshit from Anand Rathi. Please go ahead.

Harshit: Good evening. Congratulations on a great set of numbers. Just a couple of questions from my end. So what would be the sustainable level of SSG that we are targeting going forward in the next 1 or 2 years?

Shivendra Nigam: Same. In any of the earlier commentary as well, we are targeting 6%, 5%-6%, which is a long-term sustainable number. Maybe a couple of quarters up and down, but long-term sustainable number is approximately 6%-7%.

Harshit: And on the GST side, what are the benefits that we have seen in the GST reduction? Have you seen any incremental footfall because of reduction in GST?

Shivendra Nigam: So the day 22nd of September, the GST came, we have seen a great momentum. So the October was great. November was superb, right. In fact, seasonality effect was also there. Wedding effect was also there. December, it was little bit came down on a flatter side, but overall quarter is fine. January was the same case and now it is again picking up. So the momentum is definitely there. GST rationalization has definitely made the changes in terms of overall business, specifically for retail. So momentum is there and it looks like long term.

Harshit: And just last couple of questions. So what would be your guidance in terms of revenue and any gross margin expansion going forward for FY '27?

Shivendra Nigam: So we continuously have a target of approximate 20 plus percent in terms of revenue growth. So definitely this year and next year, our vision statement was clear. By 2027, we are crossing INR 1,000 crore of revenue mark and in terms of gross margin, 58%-59%, we are operating and this is probably couple of percentage or 5% may improve. The target is to make the company INR 1,000 crore revenue company by next financial year with a margin of 58%-59% gross margin.

Harshit: Thank you, sir. And once again, congratulations on a great set of numbers. Thank you.

Shivendra Nigam: Thank you so much, sir.

Moderator: Thank you, sir. The next question is on the line of Mehul Kataria from Insight Advisors. Please go ahead.

Mehul Kataria: Sir, good evening. Congratulations on a great set of numbers, sir. Just continuing the previous conversation which you just had with the previous participant. On account of this momentum which you are talking about on the GST measures which has come up, do you think that for the FY '26 or '27, there is any change in guidance in terms of revenues, especially FY '26 for that matter, given the momentum in this quarter continuing?

Shivendra Nigam: That momentum will be continued. We may have increased a couple of percentage. So always we have been giving the numbers which we feel is hardly feasible. So this financial year and next financial year, this growth would be maintained. At least this growth will be maintained what we are expecting.

Mehul Kataria: And given this growth momentum, any change in guidance in terms of number of stores opening by the end of this fiscal year? Is there any guidance for the next financial year as well? In terms of number of new stores opening?

Deepak Bansal: New stores opening, as we have already always said that we plan to open 75 new stores in a year. And the size of the store is increasing because we are opening the average store size of 1600 to 1700 square feet now. So as of now, our target is same. But if we see some very good pickup in the demand in the next quarter, then again we can plan the store expansion in an aggressive manner.

Mehul Kataria: And just continuing on the store expansion, how is the focus with regard to those focus stores for women and kids and all, how is that going along? Means any specific number you would like to throw on that?

Deepak Bansal: Going along in the same line, 10% of the stores are exclusive ladies and kids stores and 20% stores are the family stores. So the expansion is going in the same line. But the area has been increased not only in the family stores, but in the exclusive men's category and the men's and ladies category also. The average store size has been increased.

Mehul Kataria: Unfortunately, you have always been giving SSG growth, but has there been any calculation numbers when you compare these exclusive women and kids wear stores compared to previous years or anything like that? Do you have those kind of numbers as well? In terms of what growth are you seeing in those kind of stores on a like-to-like basis?

Shivendra Nigam: So the overall, if I take in terms of broad picture, right, approximately these numbers are same, right. Because yes, we started, so they are taking maturity. In fact, if I will take ladies and kids stores, this is the year where they have been started maturing. So we are expecting more sales,

right. So from last Financial Year, it is better the stores what we have opened for last 2 years, right, how they have been behaving. So they are still in the process, but the results in terms of exclusive stores is absolutely as per our expectations. So broadly, 6%-7% and all those category of the stores is physical, what we are looking at it.

Mehul Kataria:

So given the fact that the base of these stores which are getting matured will keep increasing, do you expect that probably with the maturity coming by EBITDA margins to improve further in the next fiscal means, do we have, just like revenue guidance on the EBITDA margin, would you like to comment upon it as well?

Shivendra Nigam:

See, last year, if you see in last 2 years, FY '24 was an exceptional year, then in last to last year, and then last year, we have shown improvement in the EBITDA margin, 15.8%-16.7%. And we are extremely hopeful this year, we have to take it back plus 18% pre-IndAS numbers, post-IndAS, 30% with such this year. So yes, a couple of percentage of margin improvement in terms of EBITDA is always there. We are targeting that.

Mehul Kataria:

And sir, last question, just a bookkeeping question on working capital, if you can just give us an overview about it for currently, as well as what do you see expecting in FY '26 to close off?

Shivendra Nigam:

This year, improvement would have been there. Last year, if you see our inventory days was 121 days, we are expecting to come down a little bit. But earlier, in all our commentaries, and we always mentioned, there is an ideal situation for the company is somewhere in between 100 and 120 days in terms of inventory and working capital is approximately 100 and 105 days. Considering the MBQ of the stores, what we need to be there on the shelves, all that stuff, so that would be maintained, not one margin, already the numbers have been controlled in terms of inventory, in terms of working capital, but we keep on working at it. So this year, as compared to last year, some improvement you would be able to see.

Mehul Kataria:

Thank you. Congrats once again on the great set of numbers. Thank you so much, sir.

Shivendra Nigam:

Thank you.

Moderator:

Thank you, sir. The next question is the line of Shrinjana Mittal from MS Capital. Please go ahead.

Shrinjana Mittal:

Hi, thank you for the opportunity and congratulations on the great set of numbers. I have a couple of questions. Shivendraj, can you help us understand like, if I look at the realization, the realization has come down from INR 1,400 to INR 1,100. And how much of the impact can be justified by the GST rate cuts?

Shivendra Nigam:

One second. Can you please, how INR 1,400, I am not getting it actually. Can you please repeat it in more clarifying?

Shrinjana Mittal: So I was just saying, I was just looking at the realization per piece. The realization per piece has come down year-on-year. There is some impact of GST also, I believe. So I just wanted to understand like, what is the blended impact of GST on the final price for us?

Shivendra Nigam: So if I take the ticket size for the quarter, right, October to November quarter in totality, right. Ticket size. So it has been not been reduced actually. Overall, 9 month is INR 4,387 is my ticket size. And my average selling price is also INR 1,070 as compared to last year, INR 1,026. So it has improved actually by 4% across. Because my ASP has been introduced, as well as volume is, so balance mix is there. We did not notice any reduction in terms of selling price and ticket size as well, yes.

Shrinjana Mittal: Right. Just the GST impact, Shivendraji, if you can quantify like in terms of just the final price, how much like in terms of realization for us, what would be the impact?

Shivendra Nigam: GST rationalization, right?

Shrinjana Mittal: Yes.

Shivendra Nigam: So what we did, the day 22nd of September, it came. So whatever the inventory would have been there, as per guidance, we have been passed on whatever the GST benefit has been there to the consumer, right, whatever the inventory we had. And then we have taken care of in terms of pricing as well, going for a new one. So that rationalization impact, you can see customer momentum was there. We have noticed immediately in the 9 days of September, October, November, obviously, it came down in the month of December and January. Now, it again started picking up. The momentum is positive, what we can see. And going forward also look like, INR 2.5 lakh crore of money has been given, pumped in by the Government itself in last 1 year for end consumers. So consumption would definitely have to boost, no doubt about it.

Shrinjana Mittal: Right. One more question, Shivendraji, the e-commerce sales number can you share for this quarter and what was it for the same quarter last year?

Shivendra Nigam: Yes, so overall same e-commerce, that billing method has been changed. So overall volume growth is approximately for 9 months is 11.4% in terms of e-commerce. However, even after change this billing method, the value has been increased for 5%. So our target is to take it to last year, we closed it at 6.2%. And this year, 7% approximately we may end up.

Shrinjana Mittal: So in terms of absolute value, what would that number be? In terms of absolute sales of e-commerce?

Shivendra Nigam: We have already INR 37 Cr in 9 months.

Shrinjana Mittal: INR 37 Cr in 9 months. And for this quarter, December quarter, particularly, what could that number be? And how, what was it last year?

Shivendra Nigam: December quarter number was INR 17.7 crores.

Shrinjana Mittal: And for last year?

Shivendra Nigam: I think 16 something, I just need to recheck because that was also already having a higher value for Myntra and what I explained last year as well, billing method.

Shrinjana Mittal: Understood. Just one last question, if I can squeeze in, you mentioned we have 25% growth plan. So out of this 25%, 5% would be SSSP growth and 20% would be led by store expansion. Is that how you are thinking?

Shivendra Nigam: So yes, we are continuously at the rate of 20%. And minimum target we are having at 20%. Obviously, it will improve, right. It may go up to 22, but 25 looks a little bit later on. And this includes 6%, 7% approximately same store sales growth and the balance would be coming from the store expansion as well as e-commerce segment because e-commerce is operating as of now 6%. Then next year, by the 1000, we are targeting 8%-10%. A lot of things have been happening in e-commerce. So 6%-7% out of this 20, you can say from the same store sales growth and balance 13%-14% would be mix of store expansion as well as e-commerce.

Shrinjana Mittal: Understood. Now, this was very helpful. Thank you for answering my question.

Shivendra Nigam: Thank you, Shrinjana.

Moderator: Thank you, ma'am. The next question is on the line of Anand Mundra from Soar Wealth. Please go ahead.

Anand Mundra: Good evening, sir. Congratulations on good results. Thank you, sir.

Shivendra Nigam: Thank you, Anand.

Anand Mundra: Sir, I wanted to check what is the impact of the new labor code on our P&L, sir?

Shivendra Nigam: So just another participant being asked. So in new labor code, we have already been compliant with earlier one. Our basics were always been 50%. There is some correction in the few cases were there, which has been taken care of. Our gratuity is accordingly that. So all the compliances are mostly in place. If there is any gap, my auditor is also in concert with us. We will take care of that. However, largely 99% all the compliances has been done. We are already in line with that.

Anand Mundra: So there is no one-time expense because we were already compliant?

Shivendra Nigam: No, that is what we have been, yes.

Anand Mundra: Sir, the second question is what is the profitability of family store versus our traditional men's store? What is the profitability difference, sir?

Deepak Bansal: Anandji, EBITDA is 2% higher in the family stores than the men's store. So we have a better profitability in the family stores than the only men's stores because the rental per square feet comes down in the family stores and the sales vis-a-vis doesn't come down that much. So profitability is higher in family stores.

Anand Mundra: That is good to know, sir. So in that case, sir, are we opening more family stores incremental as compared to traditional stores or how do you plan this?

Deepak Bansal: So we want to open more family stores but sometimes it depends upon the availability also because we don't want to let go of a good property if it is of a smaller size. So we many times open the only men's or men's ladies' store also. But if there is a right opportunity and a good opportunity, definitely we hope for a family store and in the future also our focus will be more on the bigger stores only.

Anand Mundra: Sir, in one of the slides, you mentioned that 50% is repeat customer. So what was this number, say, 3-4 years back, sir?

Shivendra Nigam: Sir, I noticed where data is well. The year of COVID, I remember, FY '21, my repeat was 44 and every year we are noticing 2%-2%. So it started in 4 years back 44% and approximately it is operating as of now 50%-52%. So it is very finely balanced. New customer is coming approximately in a couple of percent maybe, up and down can happen, but largely the fine balance will maintain of 50%-50%.

Anand Mundra: Understood, sir. Sir, one last question on online sales. So what is the process? We sell it to all the e-commerce websites and they can return back to us if they are not able to sell or it is on?

Basant Goyal: Basically, all the inventory is there with us. We have our own warehouses and all the inventory is made live to our own WMS software and so we do not send the inventory to the marketplaces. It is with us only.

Anand Mundra: So whenever there is an order on the website, the bill will be generated from your end?

Basant Goyal: Yes, the dispatch is done through our warehouses and we are also operating through Omni channel. So the dispatch is also done through our stores.

Anand Mundra: And what is the return, sir, in online sales?

Basant Goyal: Well, the industry standard is something around 30%. So we also have a return percentage of around 32%-33% and we are trying our best to just get it down around that 50% mark.

Anand Mundra: And sir, with respect to our pricing in online as compared to offline, is it similar, sir, or online we are giving more discount or I do not know, any thoughts on that?

Basant Goyal: No. The pricing is very much similar and we also try to maintain the parity between the discounts. It is just that sometimes the portals give the discount from their own pockets whenever there is a sale or during some sale period. Otherwise, from the brand level, the discounting is pretty much the same.

Anand Mundra: Thank you, sir. Thanks a lot, sir. Congratulations, sir once again. Thank you.

Shivendra Nigam: Thank you, Anand ji.

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

Ankit Shah: Thanks for taking a follow-up. Sir, we have reported 18% volume and value growth. So as I said, we have not reported any pricing growth. Can you explain this a little bit? Sir, this is for the quarter or 9 months we are discussing?

Shivendra Nigam: Yes, this is for the quarter. We have reported 18% volume growth for this quarter. And our revenue growth is also similar.

Ankit Shah: The 18% is the quantity growth total?

Shivendra Nigam: Yes. That is the number.

Ankit Shah: So have we not taken any price hike during the year or is this because of larger contribution from accessories or low-pricing products? Can you explain that?

Shivendra Nigam: So in this case, in this quarter, if you say, we have 18% of the quantity growth in totality. However, the price, because yes, the pricing for the quarter itself, if I take exclusively, that is not under that much higher side.

Ankit Shah: Yes, the pricing is not that higher compared to the same quarter last year. So same festive season, third quarter, and this year's festive season, third quarter, the pricing has not changed as per the reported number. So what could be the reason for it? So either you have taken a price hike, but accessories, etc., have brought down the price per piece, or is there something else if you can share some light on that?

Shivendra Nigam: Yes, there is a change in the mix, obviously, because my ASP for the quarter, this is what we are talking about company as a whole, not L2L. If you say, my ASP is almost same. Last year, it was approximately 1492, and this year, 1491. So the change in the mix is there.

Ankit Shah: Agreed, you are right. So we are selling more of lower-priced products or slightly cheaper products are selling more?

Shivendra Nigam: It is difficult to quantify because it is a mix, right. So it is a mix that has always been there. Plus, GST changes are also there, that is also impacting a little bit of because October and November, we completely passed on to the customer because old inventory was there, which was selling. So mostly volume growth, that is also very important that the volume growth total is there. And pricing growth is almost visible in terms of ASP. Last year, my ASP was 1339 and this year, my ASP was 1349. So only marginal difference. Very important point, we have increased very good in terms of basket size.

Ankit Shah: So, even the order value has broadly remained the same. They have improved slightly. Yes, you are right.

Shivendra Nigam: Order value because Basket size is increased. So my order value from the ticket sizes increased from INR 4,500-INR 4,900.

Ankit Shah: Agree with you. That is right. Just one clarification, when we are reporting this volume, this volume includes the accessories piece, right?

Shivendra Nigam: Yes. Accessories is also all that company as a whole number is there. So includes accessories, ladies, everything, all the categories.

Ankit Shah: So one question I had was on the branding side. So we have done very well in terms of efficient retailing, even early entry in some Tier-2, Tier-3 cities and we're doing well that side. But what are we doing for branding? If you take, for example, Peter England or Louis Philippe, Van Heusen, etc., the focus on branding is quite there. So we can see those brands around. But our logos are not visible in terms of advertising, etc. So can you share your thoughts around this in terms of your plans for the medium term for the company from 3-5 year perspective? Is there any thinking on this side?

Deepak Bansal: So our branding goes both in the traditional way and the digital marketing way. So we are doing both kind of ads. So for the new stores, we are doing aggressive advertisement campaigns and for the old stores, we are doing mainly SMS campaigns. But our main strength lies in the location of the store because location of the store is such a good location that we don't need much marketing support. The site is big, the store facade is good. But yes, when it comes to the future, we're planning to go for some aggressive advertisement campaign like brand ambassador kind of thing. But that is not a plan in the short run. Maybe after a year or two, we go with that kind of brand.

Ankit Shah: Got it. That is it. Thank you so much.

Moderator: Thank you, sir. The next question is from the line of Tanmoy Roy, an Individual Investor. Please go ahead.

Tanmoy Roy: Hi, thank you for the opportunity. Actually, most of my questions have been answered. I just wanted to check like how you are seeing that next Q1 shaping up because the last Q1, it was like completely washed out and we got a negative SSG. So how this quarter is shaping up? Do you think we will be able to maintain that 5%-6% of the same store sales growth?

Shivendra Nigam: So this we are discussing Q1 FY '27, right?

Tanmoy Roy: Yes.

Shivendra Nigam: So it looks positive because last year also we have a positive number. That is FY '26 Q1 also, we have a positive number.

Tanmoy Roy: FY '26 Q1, it was -1.3 SSSG?

Shivendra Nigam: No, Q1 of FY '26?

Tanmoy Roy: Yes.

Shivendra Nigam: It was very good actually, 11.3% Q1 FY '26.

Tanmoy Roy: Just now I opened the PPT and it was showing like minus 120 maybe you can?

Shivendra Nigam: Maybe last year, maybe FY '25, you are talking about, FY '25? Q1 FY '25 or minus, yes. So Q1 FY '26 was positive and we are expecting better Q1 FY '27 as well.

Tanmoy Roy: Q4 and Q1 are the best quarters for us, right?

Shivendra Nigam: In terms of yes, Q3 in terms of EBITDA margins and sales as well and Q1 is also good. Q2 is slightly threshold side. Rest all the quarters are good.

Tanmoy Roy: So and as far as the long-term goal, we are looking at 20% growth like which is currently 800 something, so maybe around INR 160 crores extra for the next year, FY '27.

Shivendra Nigam: Yes, same INR 1,000 crores is on the card definitely.

Tanmoy Roy: With the margin now, so like the PAT of margin of how much you are expecting to the same?

Shivendra Nigam: We are expecting a PAT margin because of GST rationalization and everything. That is 12%. Maybe it is maybe 13%. We will look at it. But whatever we are coming, it is definitely going to improve couple of percentage.

Tanmoy Roy: So I think that is it. I got most of the question being answered. Thank you.

Shivendra Nigam: Thank you, sir.

Moderator: Thank you, sir. The next question is from the line of Arpan Rathod from Insight Advisory. Please go ahead.

Arpan Rathod: Good evening, sir. Congratulations on a great set of numbers. I have couple of questions. My first question is how do we track fashion? Can you tell us more about how the changes in merchandise which we do?

Deepak Bansal: So we have been majorly doing the basic kind of clothing. But yes, we are introducing some fashionable garments also for the younger generation. So these are into the testing phase. So as we get the response, we will increase the share of the fashionable garments in the total collection.

Arpan Rathod: So we expect this to be more prominent from Q2 onwards or Q2 FY '27?

Deepak Bansal: Yes. After Q2 FY '27 only, we may be increasing. But as we haven't tested the same completely, let the outcome let us to conclude about it. Then only we will be able to give the clear picture.

Arpan Rathod: Sure. This is more of a qualitative question. We see the competition is not doing great. And we have been consistently doing a good set of numbers. So any secret sauce which we should know, numbers have been really great. When I compare other companies in the fashion segment, obviously, I understand there is no direct competition. But otherwise, we are doing good better than all of them. So any secret recipe or secret sauce which you would want to tell?

Deepak bansal : Secret always be kept secret, it should not be revealed.

Arpan Rathod: Sure. Continue doing that. My other question is, now that since we have been doing great in terms of numbers and profitability, obviously, we are generating a good amount of free cash flows. The company has been consistent in paying dividends. But can we look at incremental dividends in terms of percentage? Or secondly, considering that, now that we have the recipe, why can't we accelerate our store expansion? And rather than 20% growth, why don't we look at 30% growth or thereabout?

Deepak bansal: So store expansion has never been constrained due to the availability of the capital of the funds. So we have been doing expansion to the best of our opportunities coming in the retail sector. But yes, because they are increasing the size of the store, the expansion can be a little faster.

Shivendra Nigam: So if you see, coming back to the question, we have increased continuously our retail area. Numbers may be risky, but now opening the bigger stores. In last one year, December to December, if you compare again, 1.44 lakh square feet of area has been added. Now, we are opening the bigger stores. Plus earlier also I said there are 10% approximately, renewals are due

because we have 600 plus stores now. So we are opening more, but at the net side, it took some time lesser. However, the square feet is continuously.

Arpan Rathod: Sure. And any, so far India has signed a couple of trade deals. The European trade deal is more relevant considering that it opens up the textile and all. So any thoughts there, do we do our own branded stuff only? Any thoughts there going to Europe once it opens up?

Deepak Bansal: So in single brand retail, there is already 100% FDI allowed in India. So I don't, there will be much competition coming, but if it will be coming, yes, we are very much prepared to tackle it. And with the kind of marketing footing we have, like we have 650 stores, 350 stores. So it will not be easy for any new brand to compete us with at all the places and at all the locations.

Arpan Rathod: Sir, my question was reverse. Are we looking at an export opportunity?

Shivendra Nigam: We are doing in Nepal in the markets. So we are looking at it. Let us have a better opportunity come because master franchisee can only be given so that inventory risk can be limited. But not immediately, you will be able to see later on. So very focused areas we have, but yes, that is open.

Arpan Rathod: Great, sir. Once again, congratulations on a very good set of numbers. All the best for future.

Shivendra Nigam: Thank you so much, sir. Thank you.

Moderator: Thank you, sir. The next question is from the line of Anand Mundra from Soar Wealth. Please go ahead.

Anand Mundra: Sir, thank you for giving me opportunity again. Sir, wanted to understand about our gross margin. What is the reason for the improvement in this quarter, sir?

Shivendra Nigam: So same thing, Anandji. Whenever we quarter, when you see the margins of.

Anand Mundra: I am comparing, sir, Q3 to Q3, sir. Last year Q3, our COGS was 39%. This year it is 36.9. So 2.4%.

Shivendra Nigam: 2% improvement is there. So yes, some correction in pricing as well, plus efficiency little bit involvement is there. It is a mix of those. Some correction of pricing is also there.

Anand Mundra: And sir, one suggestion, On slide 12, we have given COGS and when we are giving gross margin or COGS in slide number 33, they are not matching because over here, raw material expenses are only taken. Over there, something else is also clubbed into COGS. So if I want to compare FY '25 numbers with YTD FY '26, I cannot. Correct, no?

Shivendra Nigam: I will check it and come back to you on this. I will check it. Maybe some typo error would have been there. I will check it and come back with you.

Anand Mundra: And one last question on this. What is your gross margin guidance for, say, this year, sir, or including, it is similar to last year or would be slightly improvement, sir?

Shivendra Nigam: You will be able to see some improvement. Maybe 1%, but some improvement would have been there.

Anand Mundra: Thank you, sir. Thanks a lot, sir.

Shivendra Nigam: Thanks a lot, sir.

Moderator: Thank you, sir. The next question is from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.

Hitaindra Pradhan: Hi, sir. Thanks for the opportunity. Sir, my first question is, few data points, related to data points. So what was your rental cost for the 9 months?

Shivendra Nigam: Total rental cost for the 9 months, right?

Hitaindra Pradhan: Yes.

Shivendra Nigam: This is approximately, I will just give you the exact figure, might be around INR 74 crores.

Hitaindra Pradhan: And the ESOP cost?

Shivendra Nigam: Which one?

Hitaindra Pradhan: Any ESOP cost that was part of the P&L adjustment?

Shivendra Nigam: No ESOP cost.

Hitaindra Pradhan: And this would be, sir, for the full year, it would be what would be the rental cost?

Shivendra Nigam: Rental cost for the full year would be approximately 95, approximately 95-100. Last year, it was INR 83 crores. This year, it would end up approximately INR 100.

Hitaindra Pradhan: Understood, sir. And, sir, I think in the beginning of the call, like, you answered regarding the matured store, like what was the space and the SSSG was coming around 6%. And the space growth was somewhere around, I think, 20%-22% or 25%, somewhere around that number. So sir, I just wanted to understand, for our new stores, which have been opened in last year, so how are they ramping up? And what is the expectation, like, what is the current sales per square foot

on the new stores? And what is our expectations of them ramping up eventually? And what is the timeline for them to come to a mature store level?

Shivendra Nigam: Earlier also, whenever we are opening the maturity period for that store, we are considering it 2 to 2-1/2 years. And that is also our payback period, 2 to 2-1/2 years. So as I just explained, my matured store, if it is, that is being grown from 743 to 790. However, my overall company is per square foot 746 as compared to 790. So you can say new store is delivering is approximately INR 675, you can say. And over a period of time, when it has been matured, it is coming to the maturity level in 2 to 2-1/2 years.

Hitaindra Pradhan: Got it, sir. And sir, again, to reiterate previous participants' point, most of the players have kind of struggled to post good numbers this quarter, citing the festive mix and the overall winter demand-oriented issues. So sir, again, just want to understand what kind of help you achieve both SSSG and overall numbers this quarter. Was it due to your geographical mix, which is good towards North and West, or your product positioning. If you can just give a little bit more color on that?

Deepak Bansal: So we have ASP of like INR 1,050 and most of the brands are either above this ASP or below this ASP. Very few brands are operating in this kind of ASP. So we have competition, we have very good efficiency in the operations and company long-term fundamentals have kept very strong. So all these things over a period of time have made up these numbers. So it is not just a functioning of 1 quarter or 2 quarters. It is a long-term vision and a long-term effort.

Hitaindra Pradhan: No, sir. That makes sense. Just wanted to see if you see any kind of demands opening in any of your, like geographically or any Tier-1, Tier-2 mix. By the way, sir, you are present in mostly in Tier-2, Tier-3 cities, or what is our mix, if you can guide us?

Deepak Bansal: So our mix is 20% stores are in Tier-1, 40% in Tier-2 and 40% in Tier-3 towns. And demand has been good in all the Tier-1, Tier-2, Tier-3 towns. So there is no particular category which is delivering more and other category delivering less.

Hitaindra Pradhan: You are not seeing any demand slowdown, necessarily?

Deepak Bansal: No. No region is witnessing slowdown. Every region is contributing equally.

Hitaindra Pradhan: Got it, sir. And in your adjustments, sir, like, again previous participants pointed, asked, I just want to again push you on that. So sir, this business is about finding the trends or catching the trends and keeping very fresh inventory in the shops and all. So sir, what has been your strategy around that? Do you do it? Do you use any kind of tech platforms? Or do you use your strategy? And how do you achieve that? How do you execute on that to have fresh inventory, fresh trends in your stores?

Deepak Bansal: So trend forecasting has been done through the research, both online and offline research. So we have a team of designers, merchandisers, who do this activity every season. So trends have been done forecasting and we believe that more we refresh are the inventory faster, the better will be the sales. So we have a vision to be that not more than 1 year inventory should be at the fresh stores. So we are trying to bring down the aging inventory in the stores. So that is why the results are getting better day by day because we are moving towards the better rotation of the inventory at the stores.

Hitaindra Pradhan: Yes. So what is your internal target to churn out the inventory if you suppose the inventory doesn't get sold off? So how soon you basically churn them out and replace with new inventory in your kind of close and all? What is your internal metrics so far?

Deepak Bansal: So any product which is getting one year old, we move it to the FOS and the online space because online space is also for declaring the leftover inventory.

Hitaindra Pradhan: You keep the close for 1 year in your stores. You don't put it out within a quarter or 2 quarter, like that?

Shivendra Nigam: One year. We are keeping it.

Hitaindra Pradhan: So final question is what was your, like, I didn't catch the part where you mentioned the working capital in the inventory days. Working capital days was up to 120 days if I caught that right. What was the inventory days this year and last year?

Shivendra Nigam: Finished goods inventory days target is last year, 120. We are trying to come it down and you will be able to see some lesser numbers. Working capital, that is net of creditors that would be approximately 100 to 105 days. So working capital 100 to 105 days and inventory days is in between 110 to 120 days.

Hitaindra Pradhan: And what is your target, sir? Or do you want to--

Shivendra Nigam: Sir, this is the target because considering our MBQ and my shelf requirement, my ideal number is 120 days. Before 5 days, we may come it down, but there is no drastic change, you will be able to see because I have to keep 5 piece per square feet in my shelves and back in two piece. So 7 piece is my requirement. And considering the cost, my INR 3,000 per square feet is the cost. So very simple. If you take it to nine lakh today, square feet of the shelves, 2,70,000. So that is INR 270 crores. So that would be the 120 days.

Hitaindra Pradhan: Got it, sir. All the best. Thank you so much, sir.

Moderator: Thank you, sir. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to management for closing comments.



Cantabil Retail India Limited
February 06, 2026

Deepak Bansal: To conclude, 9 months FY '26 has demonstrated our commitment towards annual targets for the FY '26. Our results reflect the enduring strength of the Cantabil brand, the disciplined execution of our teams, and the growing appeal of our products among consumers across India. The first 9 months of FY '26 have been encouraging, marked by robust financial performance. As we enter the final quarter, we remain focused on delivering long term value to our shareholders. And with a resilient business model and healthy balance sheet, we remain confident in our ability to sustain our growth trajectory. We thank you all for your time today and for your continued trust and support in Cantabil Retail India Limited. We look forward to engaging with you in the upcoming quarter. We hope we have been able to answer your queries. Please feel free to reach out to our CFO or IR team for any clarifications or feedback. Thank you all.

Deepak Bansal: Thank you so much, sir. Thank you, everyone.

Moderator: Thank you, sir. On behalf of Cantabil Retail India Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.