Date: May 28, 2025

The Manager
Listing Department
BSE Limited,
Phiroze JeeJeeBhoy Towers,
Dalal Street, Mumbai – 400001 (E)
Maharashtra, India
Scrip code: 543426

The Manager
Listing Department
National Stock Exchange of India Limited,
"Exchange Plaza", 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra Mumbai-400051,
Maharashtra, India
Symbol: METROBRAND

Subject: Transcript of the Investor Call on Audited Financial Results (Consolidated and Standalone) for the quarter and Financial Year ended March 31, 2025.

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

In continuation of our letters dated May 16, 2025 and May 23, 2025, and pursuant to Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call for the quarter and Financial Year ended March 31, 2025, conducted after the meeting of Board of Directors held on May 22, 2025, for your information and records.

The above information is also available on the website of the Company at https://metrobrands.com/stock-exchange-disclosures.

Yours faithfully,
For Metro Brands Limited,

DEEPA SOOD
Digitally signed by DEEPA SOOD
Date: 2025.05.28 15:43:56 +05'30'

Deepa Sood
(Senior VP- Legal, Company Secretary & Compliance Officer)
Membership No: 16019

"Metro Brands Limited
Q4 FY '25 Earnings Conference Call"
May 23, 2025

Emkay
Your success is our success
CIN- L67120MH1995PLC084899

MANAGEMENT:	**MR. RAFIQUE MALIK – CHAIRMAN – METRO BRANDS LIMITED** **MS. FARAH MALIK BHANJI – MANAGING DIRECTOR – METRO BRANDS LIMITED** **MR. NISSAN JOSEPH – CHIEF EXECUTIVE OFFICER – METRO BRANDS LIMITED** **MR. KAUSHAL PAREKH – CHIEF FINANCIAL OFFICER – METRO BRANDS LIMITED** **MR. MOHIT DHANJAL – CHIEF OPERATING OFFICER – METRO BRANDS LIMITED** **MS. ALISHA RAFIQUE MALIK – PRESIDENT, SPORTS DIVISION, E-COMMERCE AND CRM – METRO BRANDS LIMITED**
MODERATOR:	**MR. DEVANSHU BANSAL – EMKAY GLOBAL FINANCIAL SERVICES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Metro Brands Limited Q4 FY '25 Earnings Conference Call, hosted by Emkay Global Financial 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 calls, 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 Devanshu Bansal from Emkay Global Financial Services Limited. Thank you, and over to you, Devanshu.

Devanshu Bansal: Good afternoon, everyone. I would like to welcome the management and thank them for this opportunity. We have with us today are Mr. Rafique Malik, Chairman; Ms. Farah Malik Bhanji, Managing Director; Mr. Nissan Joseph, Chief Executive Officer; Mr. Kaushal Parekh, Chief Financial Officer; Mr. Mohit Dhanjal, Chief Operating Officer; and Ms. Alisha Rafique Malik, President, Sports Division, E-commerce and CRM.

I shall now hand over the call to the management for the opening remarks. Over to you, sir.

Nissan Joseph: Thank you. Good afternoon, everyone. Thank you for joining, and welcome to our Q4 FY '25 Earnings Call. I'm pleased to share that our revenue continues its positive trajectory as we grew over 10% on a consolidated basis, with the standalone business reporting over 9% growth for the quarter. Of course, if we didn't have the leap year day last year to offset, our standalone business will also have been at a double-digit growth.

I'm very proud of the financial discipline shown by the team as our EBITDA and PBT growth outpaced our revenue growth, with the numbers improving 18% and 13%, respectively. Additionally, our EBITDA for the quarter came in at 31%, in line with our guidance.

For the year, our revenues grew by 6% for both the standalone and consolidated business numbers. Similarly for the quarter, our EBITDA and PBT outpaced the revenue growth, posting an 8% EBITDA and a 7% growth for our standalone businesses.

As you may remember, H1 was challenging for our business as we were impacted by fewer wedding dates, the distraction of a national election and unusual weather patterns that affected footfalls in various states. H2 had our business back towards our normal growth numbers, with the consumer coming back to shop in our various different banners.

Our gross margins remain healthy running in the high 50% range and above our guidance of approximately 55%. While our revenue per square foot showed a slight degrowth, this is very much in line with our expectations, as this number is always going to be influenced by new stores and the mix of banners that we open and not a reflection of our business discipline as is validated by our profit growth.

Our e-commerce business continues to perform as it grew 45% for the quarter and wrapped up with a 20% year-on-year growth. We continue to monitor and prudently expand our quick commerce space, and we'll continue to test this channel to ensure that we capitalize on any meaningful opportunity that it may present to us as it evolves.

For the quarter, we opened 18 stores and closed 5 stores, which takes us to 70 net new stores for the year. We've had quite a few milestones for the year. We opened our first Foot Locker store. We cleaned up the last of the Fila inventory.

We were able to overcome the BIS issues for our core business, though its impact was minimal, and continue to grow profitably despite there being a much more aggressive discount environment in the market. We also crossed the 900 store mark in the quarter.

Last but not least, our consistent effort towards sustainability also yielded tangible results. We achieved our goal of recycling 1 pair for every pair sold ahead of our schedule, reinforcing our customer trust and our commitment to responsible retailing. I'm proud of the efforts of the team to continue to grow our various banners, while sticking to our foundations of operational rigor and financial discipline.

With that, I'd like to turn the call back to the operator and open it up for a Q&A session.

Moderator: Thank you very much, sir. We will now begin the question and answer session. We have our first question from line of Sameer Gupta from IIFL Capital. Sameer, are you there? We will move on to the next question from the line of Gaurav Jogani from JM Financial.

Gaurav Jogani: Yes. So my first question, Nissan, is on the Fila part. Fila last year, because we were consolidating and there were certain losses in the business. If you can give us a sense what kind of profitability we have been able to achieve or rather had we breakeven on the Fila business this year in FY '25?

Nissan Joseph: Yes. So thanks, Gaurav. As you know, last year, the first 2 years of the Fila acquisition was meant to be a cleanup phase, right? And it took us a little bit longer than I would have liked. But the good news is it's behind us. This year is going to be all about repositioning the brand. This year and next year, it's going to be about repositioning the brand.

So I don't see where Fila is going to play a significant role in moving the needle for the overall company business, but it's definitely not going to be dilutive to all that we're doing.

Gaurav Jogani: So, Nissan, just on the follow-up on this. I mean if you can give us a sense, last time as per our calculation, there was a INR38 crores kind of EBITDA loss that we did in that business. So at least that has been now become flat on a Y-o-Y basis? I mean there is no incremental loss or there in some loss in that business?

Kaushal Parekh: Gaurav, last year, if you remember, overall loss that we had posted for Fila was around INR58 crores. This year, we have been able to reduce this amount significantly, somewhere closer about 50-odd percent. We expect to see further improvement in December, as Nissan mentioned, in the coming year, and obviously much better performance from next year onwards once we start opening our EBO stores.

Gaurav Jogani: Sure. And my second question is with regards to the overall demand trajectory. As you have clearly mentioned that the first half was impacted due to fewer wedding days and also the election is happening. And now because we -- last year also, we saw a lower number of store openings.

So are you confident of reverting back to the historical revenue CAGR that you have witnessed of 15% to 18% from FY '26 onwards? And what would be the guidance in terms of store openings for the next 2 years?

Nissan Joseph: So I think when it comes to going back to our growth trajectory, we've had 2 quarters of double-digit gains, Gaurav, which bodes well. It shows the trend. It's not a one-off. We're going to continue to see things affect the business from time to time. We've had some disruption with our neighboring country, those kind of disruptions will come and go.

But overall, we're seeing the consumer sentiment settle into now a pattern that I would say is more reflective of a steady state of business as opposed to the lumpiness of the post-COVID -- highs and the post-COVID lows. I think we're starting to see a little bit more of a trajectory of consistency.

And with that, we remain committed to our guidance of 15% CAGR. And don't forget it's CAGR, so we're not going to jump right back up to 15%, but I can see -- we see the business heading back that way.

And as far as new stores go, it's not about the number of new stores we open, Gaurav, as is shown by the financial discipline we have. We didn't add as many stores as we would have liked, but we were more than okay with that because we didn't feel that the commercials on the stores that were presented at that time were correct.

What we're committed to doing is opening stores that are meaningful and profitable for the organization however many that adds up to, right? So if it comes to a certain number, it comes to a certain number. It's not a target fixation of the number, it's a target fixation on continuing to operationally and financially deliver to the Metro Brands’ promise.

Moderator: We have our next question from the line of Sameer Gupta from IIFL Capital.

Sameer Gupta: Sir, firstly, on Fila. I understand that last quarter, you had mentioned around 5 to 6 stores in Fila by August this year. So just wanted an update on where are we on those? And second sub-question to this would be that we have had our cleanup done by third quarter. BIS related issues are sort of sorted now with local manufacturing coming in.

So what is really stopping us in this particular format? I mean I understand there is a repositioning of the brand, which is to be done. So are you still fixating between how that reposition needs to be done and that is what is taking time?

Nissan Joseph: Okay. So we're not, in any way, confused about how to reposition it. We're very clear that, A, it needs repositioning; and B, how it needs to be repositioned. But repositioning of brand and establishing brand salience Sameer, is not an overnight task, right? If it was, everybody would be doing it.

It takes a little bit of time and it takes a little bit of trial and error as well, right? We're not going to get everything right the first time around. And even as far as BIS goes, while we've been able to duplicate a lot of the production to India, it's not everything either. So that is still a challenge for our Foot Locker and our Fila business.

So there are some challenges. But equally, we see the opportunity that if we reset the brand correctly, reposition it properly for the Indian market for that consumer that's discerning, it has some legs behind it.

Sameer Gupta: And where are we on that 5 to 6 stores by August? Per the last guidance, are we still on track? Or are there more hiccups expected?

Nissan Joseph: Yes -- no, we definitely intend to open more stores in H2 of this year, right, in fiscal H2 of this year. And that's definitely staying on track. So we're not deviating from that.

Sameer Gupta: Okay, sir. That's fair. Sir, second question is on store expansion. Now I understand that there were issues in FY '25 related to rentals and you mentioned commercials were not viable in the previous participant's answer. But where are we on those now? Are those now coming back to sort of more viable so that we can come back to, let's say, a desirable retail area growth this year? Or it's still a challenge?

Nissan Joseph: No, it's a good question. Sameer, we are seeing -- rentals never come down, right? It's like taxes and rentals, always keep going up. But the good news is, I think it's coming off its peak that it had earlier in the year. We're starting to see that peak flatten down a little bit. It's not going to go back to the levels, and we are acutely aware of that. But we are seeing it get more favorable for us to open stores.

Moderator: We have our next question from the line of Saurabh Kundan from Goldman Sachs.

Saurabh Kundan: Nissan, as you mentioned in your opening remarks that revenue per square feet, as you said, will always be impacted by store addition and the mix of stores that you add. So can we sort of assume that in that case, at the current store addition pace that you're adding stores at, this number may just remain flattish in the near to medium term? Is that a fair assumption?

Nissan Joseph: Yes, I think flattish with some inflation at some point in time. But if we open up more Metro and Crocs stores, that is going to grow. If we open up other banners, it's not going to grow as fast. So it's really a mix of stores, Saurabh, than it is anything else, but there is constant inflation happening as well. So I would say I wouldn't factor much of that kind of growth coming in. It will be just growth coming in from SSGs, which will then translate to square foot growth.

Saurabh Kundan: Right. And my next question is actually around Walkway. While we understand your plans and aspirations over the long term for this format, and the kind of TAM it can open up for you in the overall footwear market, can you share with us where we are right now? And what are the exact store level variables that we are still testing that are holding us back from expanding stores here as of now?

Nissan Joseph: So I think, like you rightly said, that the TAM for the Walkway consumer is significant. We're acutely aware of that, Saurabh. I don't think there's anything holding us back per se. Just like Fila, positioning, evolving, getting a brand right, getting a retail concept right is an ongoing work in progress.

At some point there, we start to feel good about where we are with it, and that's when we start pressing down on the accelerator. Don't forget, it's going to be dilutive to my square footage that you just asked about.

But on the flip side, I think the opportunity is intense. And I think we definitely feel that we're closer to cracking that and don't see any obstacles from where we sit today for us to get that banner growing.

Moderator: We have our next question from the line of Sagar Jethwani from Phillip Capital PMS.

Sagar Jethwani: How do you expect the footwear realizations to move in FY '26, given that we have added Fila, Foot locker and New Era? Of course, they are in the ramping up stage and also we are adding the Metro Mochi stores. So how do you see that realizations going up?

Kaushal Parekh: Sagar, if you see historically, our ASP growth has been in that range of around 3% to 5%. With all this format coming in, we are -- in the last question, obviously, we are growing -- we will be growing our Walkway segment too. So we'll see growth all across. Our e-com is also growing. So we broadly expect our ASP growth to be around the range that we have seen historically.

We don't expect it to change materially, at least if I have to speak about, say, next year. Once this format starts delivering, contributing significantly to the revenue, obviously, we will see changes in average ASP over a period of time.

Sagar Jethwani: Okay. And also if you could comment on the footwear realization split between Tier 2 and beyond towns versus Metro plus Tier 1 cities, that would be helpful.

Kaushal Parekh: See, we don't see significant difference, to be very frank. Obviously, you can't compare, say, Phoenix in Mumbai to say, our store in Patna. But I'm just saying, broadly, we don't see significant difference. In metro cities, certain malls, etc., tend to be higher than, say, on an average that you see for country as a whole.

But largely, wherever we go, we see that kind of population who wants to -- who aspire to sort of buy product from us and they're more than happy to pay -- buy at the price that we operate.

Sagar Jethwani: And lastly, what were the footwear realizations this quarter?

Kaushal Parekh: As I said, overall, if you see our ASP increases around 3%, if I specifically talk about footwear, it is somewhere in the range of 5% to 6%.

Moderator: We have our next question from the line of Shraddha Kapadia from SMIFS Limited.

Shraddha Kapadia: My question is…

Moderator: Sorry to interrupt Shraddha, your voice is quite breaking. Can you use the handset?

Shraddha Kapadia: [inaudible 0:18:04] performance. So just in growth, is it the channel mix, higher ASP or customer acquisition? And what is the expected contribution which we expect for FY '26?

Kaushal Parekh: Shraddha, can you please repeat your question, at least the initial part, we couldn't get exactly what you wanted to ask.

Shraddha Kapadia: So basically, this is with regards to the e-com, which is there. It has grown 45% for the quarter. So what is driving this growth, is it channel mix, higher ASP or new customer acquisitions? And if you could help with the targeted FY '26 contribution?

Kaushal Parekh: So if you see our 5-year CAGR for e-comm has been around 53%. For last year -- for last quarter, we grew at 45%. And if you see for the year, it was around 20%. To be very frank, we are growing across all the channels that are available for us to sort of tap. And obviously, our focus, as we have discussed this multiple times, is on growing our omnichannel business, which is predominantly full price product getting delivered from our store.

So it's a mix of products that we see. Apart from that, obviously, we keep pushing and strengthening our positioning across various categories. So for example, men's and handbags will be our focus area and we will -- we expect that to sort of increase in the coming years.

So it's like over a period of time strengthening and using all the avenues that are there to grow this channel, and most importantly, to grow this profitably. We don't want to grow this by offering significant discount. We want to limit that. But at the same time, we would want to target and be among the top player across all the categories that are available online.

Shraddha Kapadia: Sure. Sir any contribution which you expect for the FY '26? If you could just give brief numbers. Would it be similar to the current FY '25?

Kaushal Parekh: Shraddha, as I said, we had -- e-com has been growing at a pace slightly faster than off-line business. So we expect this contribution to keep rising over a period of time, it is 10.6%, maybe if you force me to put a number, maybe I'll say it will increase by 1% or 2% in the coming year or so. Yes, that's how we will sort of look at this. As I said, we don't want to push the sales by offering discounts. We want this to be profitable.

Shraddha Kapadia: So sir, is it possible to give the ASP for the footwear excluding the accessories?

Kaushal Parekh: ASP for footwear, broadly, is somewhere around 2,400-odd number, if you just see for footwear.

Shraddha Kapadia: Okay, sir. And are we planning to take any price hikes for FY '26?

Kaushal Parekh: Not specifically, we are not seeing a significant increase in our input costs. So broadly, what we will see is the mix of some cost increase and predominantly mix change. And we expect our ASPs to be in that range as we have seen historically, around 3% to 5%.

Moderator: We have our next question from the line of Prerna Jhunjhunwala from Elara Capital.

Prerna Jhunjhunwala: Just wanted to understand the Crocs brand, we have opened only 10 stores in the year, 10 to 11 stores in the year. How do we see this brand shaping up over the next 2 to 3 years?

Nissan Joseph: I think there continues to be an opportunity to grow the brand. It's just not -- as you know, Crocs tends to be a slightly higher priced item. So it's not easy to go into your lower tier markets with Crocs right away. But as India evolves and as India becomes more and more aspirational and there's more disposable income, we see a long runway for Crocs in India as we look to the future.

Prerna Jhunjhunwala: I mean what should be -- should Crocs grow at a higher rate than the company average going forward is what I was trying to understand?

Nissan Joseph: Yes. No. I think we don't have a plan to grow any faster. We don't have a plan to grow slow necessarily. What we're really focusing on is to move the growth across all our banners.

Prerna Jhunjhunwala: Okay. And how do we see the scale-up for Fila and Foot Locker, going forward in terms of stores and online presence. I know online is someone else, but for Fila online presence and for Foot Locker in terms of off-line presence?

Nissan Joseph: Yes, so Fila is in our offline Foot Locker store. It's also on the online Foot Locker store. It's also online by its own dot com in India. And we also have Fila starting to go into our Metro Mochi doors as we start to reposition the brand, so it's in all of those places, and it's performing to our expectations, right? But it's not an overnight journey to build a brand, but it is performing to our expectations. So we're quite pleased to see that happening.

Prerna Jhunjhunwala: Okay. And last question on profitability. How do we see the profitability going forward with respect to the inventory of non-BIS inventory that we have? And do we have to take some discount measures to reduce them in the near future to medium future?

Nissan Joseph: No. We don't see BIS having any impact on our margins.

Kaushal Parekh: Prerna, broad guidance, as we have always given, gross margin in that range of 55% to 57%, EBITDA in that range of around 30% and PAT around 15% is what we would continue to endeavor to achieve.

Moderator: We have our next question from the line of Umang Mehta from Kotak Securities.

Umang Mehta: Nissan, my question was on store opening. I just wanted to check, I mean, what changed versus last quarter? Because demand environment, if anything, has only been steady, right, and rentals you said have started to kind of improve. So is it just that you don't want to put a number, but nothing has changed meaningfully? Or has there been any change in the underlying kind of model for you?

Nissan Joseph: Yes. No, what has changed as I mentioned earlier on, Umang, is the fact that we do see rental peaks coming down a little bit. So that's always very encouraging. What has not changed is our commitment to growth,the availability of capital for the capex to the stores,there are multiple banners that we have that we can expand with. So we're quite optimistic about opening stores, right?

Putting a number on it, listen, it's just a number that you and I think. The reality is we're going to be very aggressive on store growth, and we're going to open as many stores as we see is meaningful and profitable for the organization.

Umang Mehta: Understood. That makes sense. So basically, there's no number, but you remain as optimistic as you were before. And second one was on Fila. So in the interview today, earlier, you said that 50% of Fila and Foot Locker is manufactured in India. So I'm assuming you have some suppliers already who are shipping you half of the line.

Is there any capacity constraint at their end? Because right now since you are still ramping up, I'm assuming your requirements might not be that high. So what exactly is the issue? If you can shed some more light, it will help us understand?

Nissan Joseph: So when you try to do a brand, you really need width of assortment more than you need depth. So it's not a question of having scale, it's a question of having capabilities available to you in different models and different parts of the assortment in India. So if there's anything that's going to be a challenge and going to continue to be a challenge to the ecosystem in India evolves is to get the kind of products we would like to see.

Now having said that, there are ways to get it through BIS-certified factories abroad, and we are pursuing all of that. But it would be a lot easier if we didn't have to deal with it, Umang, it's just that it's one more wrinkle that we have to work through.

Moderator: We have our next question from the line of Soumya S from Insightful Investments.

Soumya S.: So I just wanted a clarification. So according to what I have understood, Mochi, Metro and Walkway are the stores through which you sell your own brand shoes, am I right?

Nissan Joseph: Correct.

Soumya S.: So going forward, as you are looking to expand Fila and Foot Locker, will we be seeing some reduction in the own brand sales? Or will the increase in number of Mochi and Metro stores sort of make up for that?

Nissan Joseph: Yes. So the numbers we share with you are the numbers of own brand sales that we sell in a Metro, in a Mochi, in a Walkway, right? We running -- we have been running that numbers for quite a few years. So we don't see that changing, Soumya. So on an overall basis, immediately, we don't see any shift in that overall math either.

Moderator: We have our next question from the line of Devanshu Bansal from Emkay Global Financial Services.

Devanshu Bansal: Nissan, H1 has been a weak base, which was impacted due to multiple factors. There were fewer weddings, elections, heatwaves, etc. If we were to segregate growth across the 2 halves of FY '26, how would it look like? Can H1 see better trends vis-a-vis H2? Just wanted to take your thoughts on it.

Nissan Joseph: I like your polite way of asking us for a guidance, Devanshu, that we don't do. But I think it's a sensible math in retail that if you look at a lower base, the propensity to have a better performance is higher than if you look at a higher base. However, there's also something called momentum in retail.

And once we start seeing that pick up -- what I would encourage you to just think about really is, in the long term, we are pretty confident that we're going to get back to 15% CAGR. This year wasn't there. So that would at least tell you an indication of how we are looking at it long term.

Devanshu Bansal: Understood. Secondly, I wanted to understand how has been the initial traction in the Foot Locker store that we have opened? And whether this is sort of leading to uplift in the confidence level for the expansion for this format?

Nissan Joseph: Yes, to be honest with you, with the product that we got, we're actually quite excited about what's happened with Foot Locker. What's unfortunate is we haven't been able to get all the product we need due to BIS limitations, right? So from that standpoint, our commitment, our excitement on the opportunity and runway for Foot Locker remains untouched.

Having said that, there are some short-term challenges. We fully expect the brands to step up and figure out and close the loop on manufacturing within the next 6 to 9 months. And at which point, we will accelerate the growth of Foot Locker. We do have more Foot Lockers planned to open later this year, so it's not like we are hitting total pause on it. But we have slowed it down until we get full visibility of how the brands are going to respond to BIS.

Devanshu Bansal: Understood. Last question from my end is for Kaushal. Kaushal, there is some increase in other financial assets, right? So it is about INR179 crores versus about INR13 crores last year. Can you help us understand what is this increase related to?

Kaushal Parekh: Devanshu, it is our investment in FDs, because of the accounting classification, it goes into other financial assets depending upon the tenure for which that FD investment is for. So the increase that you see is basically our treasury investment in bank FDs.

Devanshu Bansal: Understood. And from a capital perspective -- because dividend was quite high relatively versus previous years, so from a capital sufficiency perspective, our balance sheet remains solid, right?

Kaushal Parekh: Yes, it remains solid. If you see our balance sheet, we have a treasury of around INR775 crores. In terms of our expansion plan, as we've always said, our annual cash accrual should be enough to sort of fund all the store openings and plans that we have. So we don't see any problem in that point of view. We have enough dry powder ready in case if something comes up.

Devanshu Bansal: Okay. And aligned to this, from a working capital optimization perspective, it's been a pretty decent job this year. Can we expect some continuation of moderation in working capital? Or we have sort of achieved whatever efficiencies were there to be taken?

Kaushal Parekh: Right. Devanshu, as you would know, if you see, on a long-term basis, our working capital has been around that 70 to 75 days, in that range. It was inflated in last 3 years predominantly on account of BIS related front-loading of inventory that we had to do. We are seeing now that thing tapering off.

We expect our working capital to be around this range. We don't want to become too efficient and then lose out sales. So it's a fine balance that we have to hit there, but around 70 to 75 day working capital is a decent number, and that is what we would want to hold on to.

Moderator: We have a follow-up question from the line of Sameer Gupta from IIFL Capital.

Sameer Gupta: Two different sets of questions from me. Firstly, overall capex in FY '25 I see is at around INR86 crores, and this is quite low versus last year. I understand store openings were low, but we had an understanding that you were investing in a new warehouse and that investment was around INR40 crores. So just wanted to get an update, is this done? Or we expect this to get stretched in the future year?

Kaushal Parekh: Sameer, that cash outflow should happen in current year. Most probably, most of it will happen in the H1 of this current financial year.

Sameer Gupta: That clarifies. Secondly, sir, it's a different offbeat question. Now when we are following retail this quarter, what we find is that South as a market and particularly the states of AP Telangana, have been called out for a very weak performance for different reasons. But just wanted to get an update. Have you also witnessed something similar? And any reason that you can figure out why that is happening?

Nissan Joseph: So we are seeing a slight softness there. I think it's hard to pinpoint what exactly might be causing it. But yes, you're not incorrect that we noticed that other retailers have also, in our communications with them, expressed that same sentiment. Could it be some of slowing down of the IT sector?

Could it be -- there's also some -- a lot of public works going on in Hyderabad. These things happen. And typically, when you look at the macro level stuff, there's no reason that, that area of the country should lag significantly.

From time to time, we've seen when tourism is affected, the tourist areas get hit. So there's always -- but these things always rebound. At the worst case, they lap itself, Sameer, but it's not significant enough for us to be concerned about.

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

Nissan Joseph: Thank you. We don't have any closing comments. And thank you, everyone, for attending.

Moderator: Thank you. On behalf of Emkay Global Financial Services, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.