Rahul Dhani – Monarch Networth Capital: Thank you, Rutuja. Good afternoon, everyone. On behalf of Monarch Networth Capital, it is our pleasure to host Aditya Vision's management. We have with us today Mr. Yashovardhan Sinha, Chairman and Managing Director, and Ms. Yosham Vardhan, Whole-time Director. I will now hand over the call to the management for opening remarks, and then we will move to the Q&A. Thank you, and over to you, sir.

Operator: I am sorry to interrupt, sir. We are unable to hear you.

Yashovardhan Sinha – Chairman & Managing Director: Sorry. Thank you, Rahul. Good evening, ladies and gentlemen, and a very warm welcome to Aditya Vision's Q2 and H1 FY27 earnings conference call.

Before we begin, I would like to extend my warmest wishes to all of you and your families on the occasion of Diwali. May the festival bring happiness, peace, prosperity, and good health to everyone.

I am pleased to share that Aditya Vision has delivered its best-ever Q2 performance, with revenue growing 28% year-on-year to Rs.586 crore. This reflects the resilience of our business model, the strength of our customer franchise, and our continued focus on execution.

For H1 FY27, revenue grew 27% year-on-year to Rs.1,779 crore, keeping us ahead of our long-term revenue growth aspiration of between 20% and 25%.

The quarter witnessed several headwinds impacting discretionary spending, driven by the prolonged West Asia crisis, disruption in energy supplies, and a sharp rise in global crude oil prices. These developments heightened inflationary concerns and put pressure on central banks to consider interest rate hikes after an extended period of stability.

The situation was further compounded by flood- and cyclone-related disruptions in Bihar, alongside rising prices of essential staples and cooking gas amid the ongoing conflict, placing additional pressure on household budgets and dampening consumer sentiment.

Despite these challenging operating conditions, we demonstrated resilience and delivered a strong performance, with EBITDA growing by 32% and translating into an impressive 45% growth in profit after tax in Q2 FY27.

Notably, H1 FY27 PAT has already reached over 90% of the entire PAT reported in FY25, reflecting the strength of our operating performance and sustained profitability momentum.

For H1 FY27, EBITDA grew by 37%, with the EBITDA margin expanding to 9.6%. Profit after tax increased by 41%, with the PAT margin improving to 5.4%, reflecting healthy earnings growth and improved profitability.

While consumer demand has moderated somewhat, underlying demand remained resilient across our market. Same-store sales growth for H1 FY27 stood at 18%, compared to just 2% in H1 FY26, when unseasonal rains impacted customer footfalls and sales.

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Our consistent high double-digit SSSG reflects sustained customer traction and continued growth across our established markets, supported by deeper penetration and improving store productivity.

Our expansion strategy combines deeper penetration in existing markets with entry into new geographies. As of September 30, 2026, our network comprised 214 stores, compared with 188 a year earlier. Our retail footprint expanded by 18.3% to approximately 9.51 lakh square feet.

During calendar year 2026, we have entered three new states: Chhattisgarh, Madhya Pradesh, and West Bengal. As of yesterday, we have made our [trails off]

Operator: I am sorry to interrupt, ladies and gentlemen. Please stay connected.

Ladies and gentlemen, thank you for patiently holding. We have management reconnected. Over to you, sir.

Yashovardhan Sinha – Chairman & Managing Director: [line issue] Sorry for the disruption. As of September 30, 2026, our network comprised 214 stores, compared with 188 a year earlier. Our retail footprint expanded by 18.3% to approximately 9.51 lakh square feet.

During calendar year 2026, we have entered three new states: Chhattisgarh, Madhya Pradesh, and West Bengal. As of yesterday, we have made our entry into West Bengal and Madhya Pradesh, opening up additional growth opportunities.

We continue to follow a cluster-based expansion strategy, leveraging our logistics infrastructure, vendor relationships, and brand recall to support efficient store ramp-up. Our focus remains on building productive outlets that contribute sustainably as they mature.

Alongside expansion, we remain focused on inventory availability and working capital discipline. As of September 30, 2026, inventory stood at 865 crores, compared with 840 crores at the end of March 2026. This reflects stocking ahead of the festive season and competitive pricing due to anticipated price increases across consumer durables.

Borrowings stood at 293 crores at the end of September 2026, down from 331 crores at the end of March 2026. However, borrowings were higher year-on-year, reflecting funding requirements associated with inventory, new stores, and business growth.

We see a significant long-term opportunity in India's consumer durable market, particularly across the heartland, where rising disposable income, increasing financing penetration, and the shift towards organized retail create substantial headroom for growth.

Our immediate focus remains on ensuring strong product availability, meeting customer demand efficiently, and staying competitive, while continuing to improve store productivity and maintain disciplined inventory management and cost control.

When I look at where we stand today, what gives me confidence is that we are not just expanding our footprint; we are building a more resilient business and reaching a wider set of markets with significant populations and rising purchasing power.

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Our vision now extends well beyond our established strongholds towards capturing the immense potential of these underpenetrated geographies. Backed by disciplined execution, strong regional understanding, and a customer-first mindset, we believe we are well-positioned to capture this opportunity and deliver consistent, sustainable growth over the medium to long term.

With that, I would like to hand over the floor to Mrs. Yosham Vardhan to take you through the financial highlights in greater detail. Thank you.

Yosham Vardhan – Whole-time Director: Thank you, sir. Good evening, everyone. We are pleased to present the financial performance for Q2 FY27 and H1 FY27.

For Q2 FY27, revenue increased by 28.1% year-on-year to 586.23 crore. Gross profit grew by 38.8% to 95.59 crore, with gross margin expanding by 125 bps to 16.3%. EBITDA increased by 31.6% to 45.65 crore, with EBITDA margin improving by 21 bps to 7.8%. Profit before tax grew by 45.3% to 24.26 crore, while profit after tax increased by 45.2% to 18.47 crore. PAT margin improved by 37 bps to 3.2%. Same-store sales growth for the quarter stood at 18%.

As of September 30, 2026, our store network comprises 214 stores, which includes 120 stores across all 38 districts of Bihar, 56 stores across 32 of Uttar Pradesh's 75 districts, 33 stores across 22 of Jharkhand's 24 districts, and 5 stores across 3 of Chhattisgarh's 33 districts. Bihar contributed approximately 73% of Q2 revenue, followed by Uttar Pradesh at 15%, Jharkhand at 11%, and Chhattisgarh at 1%.

For H1 FY27, revenue grew by 27.3% year-on-year to 1,778.91 crore. Gross profit increased by 34.9% to 287.42 crore, with gross margin expanding by 91 bps to 16.2%. EBITDA grew by 36.8% to 170.13 crore, with EBITDA margin improving by 66 bps to 9.6%. Profit before tax increased by 41.1% to 127.08 crore, while profit after tax grew by 41% to 95.69 crore. PAT margin improved by 52 basis points to 5.4%. Same-store sales growth for H1 FY27 stood at 18%, compared with 2% in H1 FY26. Our store network increased by 13.8% to 214 stores, compared with 188 stores a year earlier.

We can now open the floor for questions. Thank you.

Operator: Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. Anyone who wishes to ask a question may please press star and one on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

Participants, to ask a question, please press star and one now.

Anyone who wishes to ask a question may press star and one.

The first question is from the line of Vaitik Bafna from Monarch Networth Capital. Please go ahead.

Vaitik Bafna – Monarch Networth Capital: Congratulations, ma'am, on this excellent set of numbers. I have just two questions. Firstly, I wanted to understand more about our gross margin expansion. What has led to more than 120-125 bps of gross margin expansion during the quarter? Is it the price hikes taken by the OEMs, or is there any other change in the product mix for the quarter?

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Yashovardhan Sinha – Chairman & Managing Director: What is your second question?

Vaitik Bafna – Monarch Networth Capital: The second question would be on the margin guidance for the full year.

Yashovardhan Sinha – Chairman & Managing Director: There was a price hike, of course. However, going by the percentage of our sales comprising products where there was a significant price rise, it was not very significant in our case.

Management: So around 50, 75 to 80% bps of margin has come from the price rise, and the rest of the margin has come through normal trading.

Vaitik Bafna – Monarch Networth Capital: Okay. And sir, can you brief us on which product categories have led to this growth in the current quarter? Also, at the start of the quarter, we saw an extended summer season. Did we see strong growth in AC category sales as well? Which OEMs have contributed to this growth?

Management: In fact, our growth was mainly driven by sales. Of course, as you said, the extended summer period was there. So it was led by AC, followed by mobile and refrigerators. Secondly, when you asked about gross margin guidance, our normal guidance will remain the same, at around 15-15.5%.

Vaitik Bafna – Monarch Networth Capital: But sir, in H1, we have already reported gross margin of more than 16%. So do we see any kind of gross margin [trails off]

Management: Actually, we do not take price hikes into account, as you know, because a price hike is not a permanent component of your gross margin. So when we talk about anticipated gross margin, we talk about normal gross margin at constant prices.

Vaitik Bafna – Monarch Networth Capital: Okay, sir. One last question on the store expansion strategy. At present, we are at 214 stores. Where do we see our store count going by the end of FY27? And over the next 2 years, what kind of store expansion strategy are we looking at?

Management: I think we will be closing at around 230 stores in this financial year. It can go beyond 230, up to 235. Next year again, we are anticipating the addition of around 35 stores, so that will bring us to around 270 stores.

Vaitik Bafna – Monarch Networth Capital: Okay, sir. Got it. That is all from my end.

Operator: Thank you. The next question is from the line of Vineet Prasad from Investec. Please go ahead.

Vineet Prasad – Investec: Good afternoon, sir. Good afternoon, Gulshan. My first question is on demand. Was it a case where delayed Diwali impacted Q2 demand, firstly? Secondly, part of the festive season has already passed. How has demand been so far in October, or during the festive period, so to say?

Management: In fact, demand has been slow, put it like that. However, we expect that as we come closer to Dhanteras and Diwali, because Dhanteras is the main festival in this geography, demand

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will pick up as we come closer to the dates of Dhanteras and Diwali.

Vineet Prasad – Investec: Understood. And would you conclude that the growth rates we have seen in the past have come off as far as SSSG is concerned? Is that the right way to understand it?

Management: Are you asking about the current quarter?

Vineet Prasad – Investec: Yes, October.

Management: October. As I said, sales are slow right now, and it is very difficult to predict exactly what will happen. Sales growth has been quite slow at the moment, but it is picking up, and we expect that as we enter the main festive period, demand will start picking up.

Vineet Prasad – Investec: Understood. The second question is on opex, which has increased fairly sharply in this quarter. Was there any one-off element, or, given that we were entering new states, did we incur a higher level of opex that would normalize in the coming quarters?

Management: No, our opex was not higher in this quarter. It was quite controlled, and it was at almost the same ratio compared with the sales we had last time.

Vineet Prasad – Investec: No, sir. If I look at indirect expenses, they increased from 17 crores in Q2 of last year to almost 28 crores, a 64% year-on-year jump.

Management: That depends on sales as well. As you ramp up your sales, several allied expenses also go up, such as financing costs, credit card costs, CMS charges, and freight. In addition, we are adding 30 stores during the same 1-year period.

Vineet Prasad – Investec: Understood. Okay, fair enough, sir.

Management: However, if you compare sequentially, you will find that it is a sharp drop, because sales are the top line.

Vineet Prasad – Investec: Okay. Understood. Thank you so much, sir.

Management: Thank you.

Operator: Thank you. Participants who wish to ask a question, please press star and one. The next question is from the line of Devanshi Kamdar from Axis Capital. Please go ahead.

Devanshi Kamdar – Axis Capital: Hi, am I audible?

Operator: Yes, you are. Please go ahead.

Devanshi Kamdar – Axis Capital: Could you give us a sense of how revenue performed geographically year-on-year, as well as compared with the second quarter last year?

Management: I had already provided this in my earnings call, and Gulshan has also told you, but I will repeat it. Bihar contributed around 72–74%. In Q2, Bihar contributed 74%, Jharkhand 11%, and Uttar Pradesh 15%. Chhattisgarh, since we have just opened there, contributed 1%.

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Devanshi Kamdar – Axis Capital: Okay. And sir, due to the cyclone and those conditions in Bihar, how much was the impact? Could you quantify the loss of revenue?

Management: It is very difficult to quantify the impact of the cyclone, but this definitely disrupts the market. It is very hard to quantify the actual loss of sales.

Devanshi Kamdar – Axis Capital: Okay. And within the new geographies that we entered, can you give us a plan for the next 2 years, such as the number of stores we would be adding in both of these geographies?

Management: Yes, definitely. In Chhattisgarh, we have already opened 5 showrooms, 6 showrooms, and we plan to open another 9-10 stores. In Madhya Pradesh, we will be opening around 3 stores very shortly, and we plan to add another 15-17 stores in the coming year. In West Bengal, we have already opened 2 stores, and another 2 are in progress, so we are expecting to add at least 15 stores in West Bengal as well.

Devanshi Kamdar – Axis Capital: Understood, sir. And these [trails off]

Management: Apart from strengthening western Uttar Pradesh, as well as certain pockets of Bihar.

Devanshi Kamdar – Axis Capital: Okay, sir. Would these new geographies be revenue-generating and EBIT-generating from the first year of entry, or would there be a break-even period, you know [trails off]

Management: Again, it is very hard to answer at this time, but whatever we had anticipated, we are getting. So we are hopeful that it will definitely break even very soon.

Devanshi Kamdar – Axis Capital: Okay. But during the year, do we see any margin dilution due to the new entries?

Management: What happens, Devanshi, is that whatever margin gets diluted by the new stores is compensated by the older stores that are maturing. So the whole thing gets balanced, more or less. I hope you understand what I am trying to tell you.

Devanshi Kamdar – Axis Capital: Right. No, definitely. Okay, sir, thank you. That is all from my side.

Management: Thank you.

Operator: Thank you. The next question is from the line of Bhavya Gandhi from Bajaj Alternates Investment Management. Please go ahead.

Bhavya Gandhi – Bajaj Alternates Investment Management: Hi, sir. Congratulations on a great set of numbers. I wanted to understand the impact of the 8th Pay Commission. Will it be a significant revenue driver whenever it comes? In your past experience, when the 7th Pay Commission was introduced, did you see any manifold growth in demand because a large amount of money would be put in the hands of pensioners? Sorry, in the hands of all the workers.

Management: Yes, sir. Definitely, it is going to act as a very strong tailwind for us, because more money will come into people's hands and discretionary spending is expected to rise. However,

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everything also depends on the macro environment. We are all hoping, just as the entire world is hoping, that these disruptions will come to an end very soon. Right now, we are also expecting a lot of discretionary money to come into the market once things stabilize. If there is any hike due to the Pay Commission or something similar, that money is definitely going to give us good sales.

Bhavya Gandhi – Bajaj Alternates Investment Management: Right, sir. That is all from my end. Thank you.

Operator: Thank you. Participants, to ask a question, please press star and one. The next question is from the line of Yash Sonthalia from Edelweiss Public Alternate. Please go ahead.

Yash Sonthalia – Edelweiss Public Alternate: Hi, sir. Thank you for taking my question, and congratulations on a good set of numbers. I have just one question. You have already guided that around 70–80 bps of gross margin addition this year is due to the price hike, and we have some old inventory that is benefiting us. How should we think about our EBITDA margins going forward? Should our normalized range decline by 30–40 bps going forward because we are expanding into newer regions and states? That is all.

Management: You see, EBITDA margin is going to moderate to the extent of the extra margin we have been getting. That is definitely going to impact EBITDA margin by as much as the gross margin. However, we have always given guidance of an EBITDA margin between 8% and 10%, and that is on an annual basis. We always give guidance of between 8% and 10%, and we are very confident that we will achieve it.

Yash Sonthalia – Edelweiss Public Alternate: Got it, sir. Thank you for taking my question.

Operator: Thank you. The next question is from the line of Vijay Jange from Systematix. Please go ahead.

Vijay Jange – Systematix: Sir, my question is on store openings in West Bengal and Madhya Pradesh. What will be the average capex for a store in both these states? Is it possible to give the average store break-even level in terms of months, and what will be the payback period in these two states?

Management: Both states are new to us, so it would be too early for me to give any guidance. However, we have already disclosed the usual capex in our investor presentation. Capex will be around 90 lakhs per store, partly because of the inflationary pressure over the last 1.5 years or so. It has gone up to 90 lakh per store. We expect that it will reach break-even in around 1 year's time.

Vijay Jange – Systematix: Okay, sir. Thank you. That is all from our side.

Operator: Thank you. Participants, to ask a question, please press star and one now. The next question is from the line of Vedik Bafna from Monark Networth Capital. Please go ahead.

Vedik Bafna – Monark Networth Capital: Sir, one last question from my end. Since we have entered West Bengal now, can you talk to us more about the current competition in West Bengal? Who would be our major competitors there?

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Management: There are, of course, national players, as you know, [trails off]

Management: Smart, for example, is present in West Bengal. A local {? safe ?} chain is also there, but they are stronger in the metro than in the other peripheral districts. As you know, we have been targeting the border districts first, which border Bihar, where we are also well known. We expect that by the time competition comes and takes place, we will have established ourselves there.

Vedik Bafna – Monark Networth Capital: Okay, sir. And is there any target for the next 3 years regarding how many stores we are looking at in West Bengal? Are we looking at around 40 stores there over the next 3 years, or 40–50 stores?

Management: Not in the next 3 years, I would say, but over the next 4 years, definitely. We will be targeting areas close to Kolkata, including the metro. The possibility of 40–50 stores is there.

Vedik Bafna – Monark Networth Capital: Okay, sir, got it. Sir, our major stores at present are in Bihar, and now that we are entering West Bengal as well, is there any capex difference? What would be the capex difference per store in Bihar versus the new markets we are entering?

Management: There is a capex difference because of certain things such as freight and other vendor-related items. Since we have empanelled vendors, we usually opened stores on this side of the geography, and now we are moving outside it. So it is around 10–15%, that is all.

Vedik Bafna – Monark Networth Capital: Okay. Could 10–15% be higher than the normal capex?

Management: That can increase by 10–15% at best.

Vedik Bafna – Monark Networth Capital: Okay, sir, got it.

Management: However, it all depends on how large a store you are opening there. The capex depends on that.

Vedik Bafna – Monark Networth Capital: Yes. Okay, sir.

Management: Yes.

Operator: Thank you. Ladies and gentlemen, due to time constraints, that was the last question for today. I now hand the conference over to management for closing comments.

Management: Thank you, everyone. Again, I wish you a very good Diwali. My warmest wishes to all of you and your families on the occasion of Diwali. May the festival bring happiness, peace, prosperity, and good health to everyone. Thank you very much for attending this investor conference call. Thank you very much. Goodbye.

Operator: Thank you. Ladies and gentlemen, on behalf of Monarch Networth Capital Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.

Management: Thank you.

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