



Date: 03<sup>rd</sup> February, 2026

To,

BSE Limited, Phiroze Jijibhoy Tower, Dalal Street, Mumbai	National Stock Exchange of India Ltd. Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
<b>Scrip Code: 503811</b>	<b>Company Symbol: SIYSIL</b>

**Sub: Transcript of Analyst / Investor Meet held on 29<sup>th</sup> January, 2026**

In nexus to the captioned subject and in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed is the Transcript of the Analyst/ Investor Meet held on 29<sup>th</sup> January, 2026.

The same will also be available on the website of the Company [www.siyaram.com](http://www.siyaram.com).

This is for your information and records.

Thanking you,

Yours faithfully,  
**For SIYARAM SILK MILLS LIMITED**

**Mahipal Thakur**  
**Company Secretary & Compliance Officer**

Encl: a/a.

# **Siyaram's**

“Siyaram Silk Mills Limited

Q3 FY '26 Earnings Conference Call”

January 29, 2026

**Siyaram's**

 MUFG



**MANAGEMENT:** **MR. GAURAV PODDAR – PRESIDENT AND EXECUTIVE DIRECTOR – SIYARAM SILK MILLS LIMITED**  
**MR. ASHOK JALAN – SENIOR PRESIDENT AND DIRECTOR – SIYARAM SILK MILLS LIMITED**  
**MR. SURENDRA SHETTY – CHIEF FINANCIAL OFFICER – SIYARAM SILK MILLS LIMITED**

**MODERATOR:** **Ms. AYUSHI GUPTA – MUFG INTIME PRIVATE LIMITED**

**Moderator:**

Ladies and gentlemen, good day, and welcome to the Siyaram Silk Mills Limited Q3 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. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Ayushi Gupta. Thank you, and over to you, ma'am.

**Ayushi Gupta:**

Thank you. Good morning, ladies and gentlemen. I welcome you to the Q3 and nine months FY '26 earnings conference call of Siyaram Silk Mills Limited. To discuss this quarter's performance, we have from the management, Mr. Gaurav Poddar, President and Executive Director; Mr. Ashok Jalan, Senior President and Director; and Mr. Surendra Shetty, Chief Financial Officer.

Before we proceed with the call, I would like to mention that some of the statements made in the today's call may be forward-looking in nature and may involve risk and uncertainties. For more details, kindly refer to the investor presentation and other filings that can be found on the company's website. Without further ado, I would like to hand over the call to the management for their opening remarks, and then we can open the floor for Q&A. Thank you, and over to you, sir.

**Gaurav Poddar:**

Good morning and thank you all for joining us for the earnings conference call of Siyaram Silk Mills Limited to discuss Q3 and nine months FY '26 results. Wishing you and your families a Happy New Year. I hope you all have had the opportunity to review our financial results and investor presentation, which have been uploaded to both the stock exchange and our company website.

Siyaram's continues to focus on developing products that keep pace with changing market trends and customer needs. We aim to offer quality choices across different price points and style preferences. Our brands enjoy strong recognition, and we are committed to building on that foundation. With our integrated manufacturing and distribution setup, supported by a dedicated creative design team that drives innovation across our collections, we are able to deliver consistently across all categories.

In the third quarter of FY '26, we saw demand pick up at the start of the festive season. However, as the quarter went on, customers stayed cautious with their spending and footfall remained moderate. The demand during the quarter remained largely occasion-driven with spikes limited to key events rather than a sustained trend. As a result, the quarter delivered moderate performance. Despite a challenging market environment, Siyaram has strengthened its market position and has grown the overall business.

Alongside this, the company has consistently expanded its retail network by adding new stores and widening its retail footprint. In line with this measured expansion, we have remained

disciplined in our capital allocation, which has helped us maintain absolute EBITDA while pursuing sustainable growth. In Q3 of FY '26, we continued expanding our store network by adding two ZECODE and five DEVO outlets, taking the total number of stores for ZECODE and DEVO to 25 and 17, respectively.

We remain focused on achieving our plan of opening about 35 stores during the year. Our priority is to open stores in markets with strong potential, ensuring sustainable growth and better long-term returns. We are pleased to share that the Board of Directors has declared a second interim dividend of INR3 per share with a face value of INR2 each. This decision highlights our ongoing commitment to rewarding shareholders and reflects the confidence in our financial strength and future growth prospects.

In quarter three of FY '26, our total income was INR639 crores compared to INR586 crores in the same quarter of the previous year, reflecting a year-on-year growth of 8.9%. For nine months FY '26 period, the total income reached INR1,782 crores, up from INR1,546 crores in the corresponding period last year, representing an increase of 15.3%. This performance highlights the resilience of our business model and the steady momentum created through disciplined execution and strong customer engagement.

As we move ahead, we are placing greater focus on strengthening our core capabilities in design, product development, and understanding emerging consumer preferences. Our aim is to offer products that are more relevant, contemporary, and aligned with what customers are seeking across different markets. We continue to refine our internal processes and enhance coordination across teams to improve speed, consistency, and execution across our categories.

Alongside these efforts, we are also intensifying our marketing initiatives to support the growth of our business. By strengthening brand visibility, enhancing digital engagement, and running targeted campaigns, we aim to build deeper customer connections and accelerate demand across key markets.

We see meaningful opportunities emerge across businesses, and we are aligning our strategies to participate effectively in this growth. With a disciplined approach and a clear long-term vision, we believe Siyaram's is well positioned to build momentum and create sustained value in the years ahead. Now I would like to request our CFO, Mr. Surendra Shetty, to share highlights of our financial performance. Thank you.

**Surendra Shetty:**

Thank you, Gaurav ji. Good morning, everyone. For the third quarter for the financial year '26, our total income stood at INR639 crores compared to INR586 crores in the quarter three of financial year '25. In terms of the revenue mix, Fabric contributed 78%, Garment accounted for 15%, and Yarn & Others made up 7%.

Our EBITDA for the quarter was INR84 crores as against INR83 crores in the quarter three of financial year '25, reflecting a year-on-year growth of 1.5%. The EBITDA margin for the quarter came at 13.2%. PAT for the quarter three financial year '26 stood at INR42 crores compared to INR46 crores in the same quarter last year. The PAT margin for the quarter was 6.6%.

Moving into the nine-month period. For the financial year '26, our total income reached INR1,782 crores as compared to INR1,546 crores in the same period of the last year, reflecting a year-on-year growth of 15.3%. EBITDA for nine months financial year '26 stood at INR262 crores with the EBITDA margin of 14.7%. PAT for the nine-month period came in at INR134 crores and PAT margin was 7.5%. Thank you. That concludes my remarks. We can now open the floor for the question-and-answer.

**Moderator:** The first question is from the line of Dev Gulwani from Care PMS.

**Dev Gulwani:** First question is what is the revenue from ZECODE and DEVO in this quarter?

**Gaurav Poddar:** I'll tell you for the overall nine months so far, and that is around INR55 crores that we have achieved in these nine months. So our original target for the whole year was around INR70 crores to INR80 crores, and we will I think be able to achieve, we'll be in line with that guidance.

**Dev Gulwani:** Okay. Can you give a breakup between them, ZECODE and DEVO?

**Gaurav Poddar:** We are not giving breakups at the moment because it's too early in the business. And we are giving an overall number just as an indication as to the progress that we've made.

**Dev Gulwani:** Okay. So second question is why growth in textile business has been just approx 3%, whereas peer like Raymond has grown 11%?

**Gaurav Poddar:** Generally, in the traditional business, we give an annual guidance, and it's a seasonal business. So we don't look at quarterly numbers because they vary a lot, and it also depends on the festivities. In this quarter, particularly, Diwali was in the beginning of the quarter, which resulted in the sales in the previous quarter, which saw much higher growth.

In any way, we have increased the overall guidance for this year, which is as an exception. From 10% to 12% as an overall growth of the company to between 12% to 15% growth. And by the end of the year, we are confident of remaining within that guidance of 12% to 15% as an overall growth.

**Dev Gulwani:** What is the volume growth in textile business this quarter?

**Gaurav Poddar:** So once again, it's not advisable to look at it on a quarterly basis. But if you look at a nine monthly basis, then there is about 9% odd volume growth. But again, there is a difference in suitings and shirtings as a category. So it is more advisable to look at value as a whole.

**Dev Gulwani:** But if you can provide for Y-o-Y?

**Gaurav Poddar:** I mentioned for 9 months FY26, fabrics volume growth is about 9%.

**Dev Gulwani:** Okay. Also, there was increase in gross margins by approximately 3% Y-o-Y. What is the reason behind that?

**Gaurav Poddar:** Yes. This is because of combination of different product mix across different segments. But I think, overall in the year, we will see a balanced, stable number.

**Dev Gulwani:** And there was also increase in processing and labour charges from, it is approximately 14% to 15% of net sales. So why there is a sudden increase?

**Gaurav Poddar:** That may be because of a build-up in inventory that we are creating for the next quarter, which traditionally is the best quarter of the year.

**Dev Gulwani:** And store expansion was quite slow for ZECODE this quarter. So will you be able to achieve FY'26 store guidance for ZECODE?

**Gaurav Poddar:** It is our endeavour to achieve our initial guidance. The third quarter intentionally was slower because we wanted to focus on operations during the festive season rather than store openings because we are working on a very lean team. And that is why a large part of the stores were opened in the second quarter to get better use of the festive season. And that is why the third quarter, the numbers are small. But we are confident of getting in line with those 35 approximately stores that we plan for the year.

**Dev Gulwani:** And recently, we have seen Trent Ltd. sales have slowed down in recent quarter. So do we see it as an opportunity or a challenge?

**Gaurav Poddar:** Sorry, can you repeat your question, please?

**Dev Gulwani:** We have seen Trent Ltd. sales have slowed down in recent quarter. So do we see it as an opportunity or a challenge?

**Gaurav Poddar:** Yes. I think that the overall apparel market, if you see as a whole is a very, very large market. The largest player in the market also is a very small percentage of the overall market share. So the market is very large and a large part of that is unorganized. So there is already a big headroom for a lot of players to do well. We are in a very small stage and to compare us with established players right now is not fair. And we are progressing well.

We have set ourselves some benchmarks, and we are progressing well towards those benchmarks. We've given an initial target for this year of about INR70 crores to INR80 crores. So we are in line with those targets. I mean, we are looking at our own internal operations on how we can improve efficiency there rather than look outside. There is a lot of headroom for growth, and we are very confident with what we are doing and the results that we've achieved so far.

**Dev Gulwani:** What are your store expansion plans for ZECODE and DEVO for FY'27?

**Gaurav Poddar:** This is something that we will declare by the end of next quarter. We are still in plans of deciding the numbers and the locations of what we want to do. And when we firm up that, maybe in the next quarter, we'll have a better idea and share that with you.

**Dev Gulwani:** Also, will you be moving to any new geography?

**Gaurav Poddar:** Again, that's something that we are reviewing at the moment. I'll be able to give you better clarity in the next quarter.

**Moderator:** The next question is from the line of Apoorv from Whitestone PMS.

**Apoorv:** Sir, my first question is on the, say, in our quarterly numbers, how much is the loss from our retail business, maybe at EBITDA or PBT level?

**Gaurav Poddar:** We've given an initial guidance of 100 to 150 basis points drop in EBITDA for the whole year. So we will stick to the guidance, and we'll be within that limit for the whole year.

**Apoorv:** Got it. Got it, sir. And sir, like what are our store addition plans for the Q4? Like you mentioned 35 stores. So that is for the ZECODE?

**Gaurav Poddar:** We had planned for 35 stores for ZECODE and DEVO put together. This year, we have opened, I think, about 22 stores odd and the balance stores is our endeavour to complete by March. Maybe there is a spill over, but this is the kind of broad guidance.

**Apoorv:** Got it, sir. And my next question is, like what benefits do you see within Europe to be happening? As I know that although our exports are 9% or maybe 10% approximately, so do we see a need for exports as well?

**Gaurav Poddar:** So of course, exports, India as a country is really promoting manufacturing. And with these new FTAs coming in place, that will also help Indian manufacturing. Apart from that, there are other global positioning of different other countries that will also help India in terms of being an export destination for apparel and textiles. We are already exporting about, as you mentioned, 10% of our turnover. This is largely fabrics. So it's not direct export to these countries, but it is export to converters.

So these new treaties and India positioned as a manufacturing hub will definitely help us. Our business largely is domestic and branded, and there is growth within that. New retail business is also growing faster than the traditional business. So I don't know in percentage what the numbers will be, but absolute value, of course, export, there's a lot of potential for us to grow.

**Apoorv:** Got it. Got it. Sir, my last question on the revenue and the margin guidance for the FY '27.

**Gaurav Poddar:** So we have given an FY '26 guidance, and we've upgraded that guidance from 10% to 12% to 12% to 15% revenue guidance, and we maintain a 14% approximate EBITDA level with a 100, 150 basis points drop in retail. For FY '27, we'll get back to you in the next quarter for the next year's guidance.

**Moderator:** The next question is from the line of Varun from Bava Investments.

**Varun:** A couple of questions from my end. Like the Q3 revenue grew approximately 9% Y-o-Y, but the PAT basically has declined. So could you break down what are the key factors which has been impacting the bottom line for the performance of this quarter?

**Gaurav Poddar:** Yes. So there are two, three major reasons. One is there is a onetime cost of this employee expense because of the new labour code, and there is some increase in advertising and sales promotion. So this is, both these put together is roughly INR10 crores, INR12 crores extra. And

then there is this retail sales that creates a loss of new retail businesses, which is in line with what our expectation is. So these are broadly the main reasons for the drop in EBITDA.

**Varun:** All right, sir. And sir, the finance cost has been increased on a Y-o-Y basis. So like should we expect this, the same cost in the ballpark for FY '27 would remain elevated?

**Gaurav Poddar:** This is largely due to some extra working capital that was deployed throughout this year for preparing inventory and it's all working capital requirements. We are well within a comfort limit in terms of the debt that the company has. So it's not so significant and not so worrying for us. As it's a made-to-stock business. So it is an ongoing effort to keep optimizing inventory. And so this keeps varying.

**Varun:** All right. So can we expect this to reduce or stay same rather than going up?

**Gaurav Poddar:** We hope that the fourth quarter number should be better. Since it's the best quarter of the year, we are planning for inventories. We are building up the inventory. So that is the reason for an increased working capital. So hopefully, by the end of the fourth quarter, we should see a better number.

**Varun:** All right, sir. And sir, given ZECODE and DEVO have been scaled under our own company and operating model, so how do we see scaling this approach in terms of capital allocation and a return perspective over the long term?

**Gaurav Poddar:** So I wouldn't say it is a scaled model. It is something that we are still building. This is the first year of full operation that we'll see for this business. Some of the stores are still opening within this period. Right now, we have more store openings than the number of stores that we have been running.

So it's a very nascent business, which is still growing. And we want to be very calculated in terms of store openings. We have always mentioned that we are not chasing numbers in terms of store openings, but we want to work on efficient operating models. And that is what I think, as a strategy, we'll continue to do and use our capital wisely and prudently.

**Varun:** All right, sir. Sir, any margin guidance or something like that for Q4, we can expect something?

**Gaurav Poddar:** We don't give quarterly guidance because it's a seasonal business, and that is why we give an annual guidance. So the 14% EBITDA guidance is the approximate number without the retail calculation is something that we will stick to.

**Moderator:** The next question is from the line of Apoorv from Whitestone PMS.

**Apoorv:** Yes. I just have one question. If you can share the store level economics, maybe the revenue per store or the rent?

**Gaurav Poddar:** So I think it is still very early in our journey to be sharing these numbers because, I mean, this is just the first year of operations. Hardly a few stores have seen a year or just a little over a year. So we are going to wait a few more quarters before we start releasing these numbers. But in a

nutshell, I can tell you that qualitatively, we have received excellent feedback in terms of the product, in terms of the pricing.

Markets that we have opened, we have seen in this festive season, better footfall, more repeat customers. So the trend seems to be very positive, and we are very encouraged with this response, and we want to continue to grow this business and make it a meaningful part for the company's turnover.

**Apoorv:** Sure. Sir, maybe if you can share maybe three, four years down the line, how much revenue do you see these retail would contribute?

**Gaurav Poddar:** I think that we'll take it year-on-year basis. We want to continue to work on the immediate operations and continue to expand these stores. As I mentioned, our expansion will be very calculated, and we won't chase large numbers to keep opening and rather than that work on the efficiency on the model. Our fabric business and our traditional business also will grow at the same time. So it's difficult to say how much as a percentage this would become. But of course, because the base is so small, it will definitely be more meaningful than it is today.

**Moderator:** The next question is from the line of Pratik Shah from Investing Alpha.

**Pratik Shah:** So, sir, my question is fabric still contributes more than 75% of the revenue. So how do you see this mix evolving over the period?

**Gaurav Poddar:** So fabric traditionally has been a much larger percentage, north of 80% since, for a few years ago. It has gone down to 75% to 78% now as other businesses are growing. There is an Indigo business that is also growing in the Yarn & Others segment, that is about 5%, 6% now. And this retail business that we have now, that will start becoming more meaningful as years go by because the number of stores will increase.

As we have more points of sale, the turnover as a whole in terms of the business will start growing. So that will take away share from the fabric business in percentage terms.

**Pratik Shah:** Okay. Got it. And sir, are there any plans to extend ZECODE or DEVO into online or even omnichannel formats? And how do you see digital channels complementing your physical retail strategy?

**Gaurav Poddar:** So in terms of e-commerce, right now, ZECODE and DEVO are not on the e-commerce channel because business is new and we are focused on the offline format. And we will continue to focus on that format for some time because we need to establish a foothold in terms of the number of stores that we open to be able to justify operating costs at an overhead level.

But of course, online is a format that is growing, and it is a complementing format for a physical retail in terms of a retail brand experience for the consumer. So that is something that will be looked at, at a later stage. But of course, that is something at the back of our minds.

**Pratik Shah:** Okay, sir. Got it. And sir, one last question. As marketing investment increased to support new brands like ZECODE and DEVO, so how should investors think about marketing spend as a

percentage of revenue over the next few years? And when do you expect this spend to be normalized?

**Gaurav Poddar:** So marketing is an important part of something that we continue to do because our traditional business is also a branded business. And advertising for us is more of an investment in terms of building the brand and to be able to continue to be in the mind of the consumer. This activity has been ongoing. We had a little pause during COVID and then restarted maybe a year or two ago. This year also, we have elaborated our marketing spends and being able to be visible during the festive season.

The new brands, ZECODE and DEVO, since they are more regional specific at the moment, the marketing spends are more regional and more digital. The spends as a percentage of turnover, we have indicated between 4% to 5% of revenue. And this is the kind of number that we are comfortable with and will continue this year as well as in the ongoing years. And this includes the new businesses as well as the traditional businesses.

**Moderator:** The next question is from the line of Rajiv Jain from Arcane Investments.

**Rajiv Jain:** So firstly, could you share your view on how discretionary spending patterns are evolving, particularly when comparing demand for premium fabric offerings versus the mass and value-driven categories?

**Gaurav Poddar:** We feel that India is a very large country, and discretionary spending is something that now in this festive season is always high, in terms of when you look at the overall year. When there is discretionary spending during festive season, there are all kinds of different audiences and therefore, premium as well as mass kind of fabrics, at all kinds of price points do well.

Of course, on the value side, the audience is much larger and therefore, the numbers are much larger. But there is a good number of customers at the premium end as well. So it's more festive driven than price point driven.

**Rajiv Jain:** Understood, sir. So secondly, in the current market scenario, are you witnessing any maybe pricing pressures from organized competitors or maybe less unorganized players? And how is the company balancing competitive pricing with margin protection? Could you shed some light on that?

**Gaurav Poddar:** So a large part of the business comes from the fabric business where there are not many branded players. And I don't think there are any pricing pressures as such. This is something that we stick to what we do. We have a variety of different blends and different markets that we are, in terms of the product in suiting and shirting, there is, in suiting, for example, from poly-viscose to woollen blends.

In shirting, there are polycotton, cotton, linen blends. So there are a variety of different products and at different price points. So it is just about being able to have the distribution, supply chain, efficiencies, all of that rather than looking at pricing pressures.

**Moderator:** The next question is from the line of Vriddhi Vora from SAS Capital .

**Vriddhi Vora:** So the question is the company's EBITDA margin has declined to 13.2%, which was 14.1% in Q3 FY '25? So could you clarify the reason which led to this decline?

**Gaurav Poddar:** I think I've already mentioned earlier that there are two or three main reasons. One is the employee cost because of the new labour code, that was a hit we had to take, as well as some increase in advertising, and this retail business that we have earlier indicated to drop our EBITDA. In any case, I would recommend that we don't look at quarter-on-quarter numbers.

We have to look at the yearly numbers because of the seasonal nature of business. And in an annual level, we indicate and continue to guide with a 14% approximate EBITDA level and then the retail loss that will reduce that further.

**Vriddhi Vora:** Okay. And sir, how do you decide between the opening large format versus small format stores?

**Gaurav Poddar:** You're mentioning about ZECODE in particular?

**Vriddhi Vora:** Yes.

**Gaurav Poddar:** This was an experiment that when we started out in ZECODE, we wanted to experiment with these two sides formats. One was a small format which is about 4,000 to 6,000 square feet and the larger format which was 6,000 to 8,000, 9,000 square feet. So in the initial stage, we did both these formats. But over the course of this year, we have experienced that the larger format stores are performing better in terms of consumer experience, in terms of being able to display our products and give our offerings in a better manner.

So we are more focused on the larger format shops, unless it's a mall or something else where we are forced to select something at about 5,000 square feet. So in general, our store strategy is the sizes are more on the larger size, so 6,000 to 8,000 square feet approximately.

**Vriddhi Vora:** And further, we know the ongoing investment which we have done in retail expansion and brand building. So what EBITDA margin range should we consider as sustainable over a medium term once the business reaches a more normalizing operating environment?

**Gaurav Poddar:** These are something that we will start sharing a little later on. We are looking at these businesses first in terms of opening the stores, getting them at an operating efficiency level. Even at a small base of stores, sourcing for these stores are still a challenge. So there are gross margin challenges. So these are all initial struggles that everyone has to go through, and we are going through that and hoping to establish that in a year or so. So we'll be able to get into more numbers maybe in a few quarters from now.

**Moderator:** The next question is from the line of Priti Agarwal from SK Associates.

**Priti Agarwal:** I wanted to know that how is your in-house design and R&D capability helping differentiate your fast fashion offering?

**Gaurav Poddar:** So our in-house design has already been in place without fast fashion as well because we are already in the fabric and apparel business. We have multiple designers and sampling infrastructure that is created in our factories to help us predict and design for the future. We also

have a lot of subscriptions to international forecasts and international trends. CADINI, our Italian brand and subsidiary also exposes us to a lot of fashion that's happening in the European segment where actually fashion originates and inspirations are drawn from, where we participate in exhibitions, we visit other fashion-forward designers and other places in Europe through that business.

So there is already a lot of synergy that is there within the business. And the product being fashion-forward and the product being trendy is something that we feel is a USP for the company because of the background of the company being in the fabric business in the first place.

**Priti Agarwal:** Understood. And are you seeing any better traction in South India for ZECODE and DEVO in North India as per the strategy?

**Gaurav Poddar:** Yes. So we had a reason to get into the particular places for each brand, and we wanted to stick to a cluster. Successfully, we've been able to stick to that cluster. And of course, as the year has gone on and the festive season, we are midway through the festive season now in the wedding season, and we've seen great traction in the last few months and very encouraging response for both the brands.

**Priti Agarwal:** Understood. And are there any plans for strategic partnerships or acquisitions in the future?

**Gaurav Poddar:** I mean we don't have anything at the moment in mind, but we are always open to discussing new ideas. At the moment, we are more focused on the existing challenges that we've taken in terms of these two new retail brands and capital allocation also is being done for these two brands. So anything is available, we are always happy to consider and look at it.

**Moderator:** The next question is from the line of Deepak Patil from Equentis Wealth Advisory.

**Deepak Patil:** Sir, this year revenue guidance for retail business stated INR70 crores to INR80 crores. Could you share the expected revenue trajectory for next year for the retail business and the key drivers behind this growth outlook?

**Gaurav Poddar:** So we have only given guidance for the end of this year, which is about INR70 crores to INR80 crores. And with the current run rate that you are at, we expect to be, comfortably achieve these numbers. For the next year, by the next quarter, I think we'll be in a better position to give you a guidance. The key reason for the increase in growth will be, of course, new store openings as well as the main reason will be the better efficiency of the existing stores that we opened. So that is going to help us to get to the next level in the next year.

**Deepak Patil:** Okay. And are we in the line to achieve our guided EBITDA margin for this year?

**Gaurav Poddar:** Since the beginning of the year and even last year, we have always stuck to a guidance of about 14% EBITDA margin approximately, plus or minus. And by the end of the year, we are confident of reaching that number. The retail business is going to give a loss that is 100, 150 basis points that will reduce from this EBITDA margin.

**Moderator:** The next question is from the line of Varun Mishra from Bava Investments.

**Varun Mishra:** Just a follow-up question. Sir, how do we balance our investments between the legacy business and the new retail brands? Could you help with that?

**Gaurav Poddar:** Legacy business is more of an asset-light model and doesn't need regular capital investments. It's more of maintenance Capex, which we have indicated in the line of INR50 crores, INR60 crores, maybe INR50 crores, INR70 crores in every year. So that is more of a maintenance kind of Capex. So there is, it's not a huge number, and there is sufficient cash flow.

Even the retail business is a more calculated approach where we have indicated, I think, about INR35 crores to INR40 crores that we will spend this year. So it's a calibrated approach, which we are confident of for the inflow of funds as well.

**Varun Mishra:** All right. And sir, exports have contributed to approximately 9% of our revenue. So how do you see to scope, like scale this further?

**Gaurav Poddar:** So as I mentioned earlier, export environment is very good for India in terms of government initiatives for manufacturing as well as the external environment, the treaties that are being signed. So all in all, India as a manufacturing hub is seeing a big fill up, and that's something that will also help our company. Export as a percentage is something difficult to say how much that will grow because even the rest of the 90% is growing. But as an overall value, this business will grow, and it is something that we are keenly looking at.

**Varun Mishra:** So the recent, the European FTA signed, so how, can we see as beneficial for us in terms of increasing our export share?

**Gaurav Poddar:** Of course. So we are exporting fabrics as a semi-finished product, which is going to a garment converter to convert into a final garment, which will then get used by the brand, which is normally a retailer. So the orders come in from the retailer, and they nominate us as a fabric supplier. So although it's not a direct export to the brand, but these FTAs will increase India as a hub, and they will encourage brands to look at India as a larger manufacturing hub.

And therefore, indirectly, we'll get benefit from these kind of treaties and the export environment helping India. Additionally, we are also looking at how we can expand our garment infrastructure to supply formal trousers rather than just suiting fabrics. And that is something we are working on, then we can become a direct supplier, but that is some time away, and we are working on that as well.

**Varun Mishra:** So then, sir, post this, can we see, like you guided a margin of 13%, 13.5%, something like that. So can we see an increase because of the good beneficiary environment which we have as of now?

**Gaurav Poddar:** I think the margin is, looking at just a quarterly margin is not a good indication. We will remain in line with what margin that we have indicated in terms of EBITDA level for the whole year.

**Moderator:** Ladies and gentlemen, that was the last question for today. I now hand the conference over to Ms. Ayushi Gupta for closing comments. Over to you, ma'am.

**Ayushi Gupta:** Thank you. I would like to thank the management for taking the time out for this conference call today and also thank all the participants. If you have any queries, please feel free to contact us. We are MUFG Intime India Private Limited, Investor Relation Advisors to Siyaram Silk Mills Limited. Thank you so much.

**Moderator:** Thank you. On behalf of Siyaram Silk Mills Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines. Thank you.