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August 14, 2026

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Scrip Code: 543957	**NSE Symbol: REDTAPE**

Sub: Transcript of Investor's Meet for the 1st Quarter ended June 30, 2026

Dear Sir/Ma'am,

In furtherance to our intimation dated August 05, 2026, August 11, 2026 and pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, We hereby enclose the transcript of Investor's meet for 1st Quarter ended June 30, 2026, held on Tuesday, August 11, 2026.

The transcript is also available on the Company's Website https://about.redtape.com/Transcript.php.

You are requested to kindly take the above information on your records.

Thanking you,

Yours faithfully,
For **REDTAPE Limited**

AKHILENDRA BAHADUR SINGH
Digitally signed by AKHILENDRA BAHADUR SINGH
Date: 2026.08.14 15:54:35 +05'30'

Akhilendra Bahadur Singh
Company Secretary & Compliance Officer

Encl: as stated above

"RedTape Limited
Q1 FY27 Earning Conference Call"
August 11, 2026

MANAGEMENT: **MR. ARVIND VERMA – WHOLE-TIME DIRECTOR – REDTAPE LIMITED**
MR. VIVEK AGNIHOTRI – CHIEF FINANCIAL OFFICER – REDTAPE LIMITED

MODERATOR: **MS. KASTURI SHARMA – E&Y**

Moderator: Ladies and gentlemen, good day and welcome to the Q1 & FY27 Earnings Conference Call for RedTape Limited, hosted by EY. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Kasturi Sharma from E&Y. Thank you, and over to you, Ms. Sharma.

Kasturi Sharma: Thank you so much, Danish. Good morning to all the participants on the call and thank you so much for joining us. Before we proceed, let me quickly remind you that the discussion today may contain some forward-looking statements that may involve known or unknown risks, uncertainties and other factors.

It must be viewed in conjunction with our business risks that could cause future results, performance or achievements to differ significantly from what is expressed or implied by such statements. Please note that the results and earnings collateral have been emailed to everyone and the same are also available on the company's website.

In case you haven't received these, you can write to us and we will be happy to send them over to you. Now to take us through the results and answer your questions today, we have the management of RedTape Limited represented by Mr. Arvind Verma, Director and Mr. Vivek Agnihotri, the Chief Financial Officer. We will start the call with a brief overview of the quarter gone by followed by the Q&A session.

With that said, I'll hand over the call to Mr. Verma. Over to you, sir.

Arvind Verma: Thank you, Kasturi. Good morning, everyone and thank you for joining us on the call today. Before I get into the numbers, let me first set the context for the quarter. Q1 FY27 was a mixed quarter for discretionary consumption. The earlier part of the quarter saw some softness reflecting broader macro headwinds and cautious consumer spending before demand trends improved as the quarter progressed.

The longer-term drivers for branded footwear and apparel such as organized retail, broader acceptance of branded products, premiumization and omnichannel buying behavior remain in place. At the same time, the quarter also saw near-term unevenness across channels and pressure across key cost lines including inputs, labour and sourcing.

For RedTape, the operating stance during the quarter was clear. We chose to protect consumer value and manage the cost environment through sharper execution across sourcing, supply chain and retail operations without taking price increases. This discipline also translated into a strong bottom-line outcome.

Profit after tax grew 19.4% year-on-year to INR47 crores, marking RedTape's highest ever Q1 profit in absolute terms. The performance was achieved despite wage-related pressures in key manufacturing states, reflecting the strength of the operating model built across the business.

Revenue on a standalone basis grew by 3.7% year-on-year, reflecting the resilience of the core India business despite an uneven demand environment in the early part of the quarter.

This is a more relevant indicator of underlying performance as it captures the strength of our primary business across retail and domestic channels. The growth was delivered while absorbing key operating cost headwinds, reinforcing the importance of execution-led efficiencies and disciplined channel management during the quarter.

In the e-commerce channel, online marketplaces continued to push for higher discounting to drive turnover. Our approach remained measured and disciplined. RedTape does not believe in pursuing volume at the cost of brand strength or margins and therefore chose not to participate in incremental discounting beyond levels we considered appropriate.

This had a near-term impact on e-commerce turnover. However, it helped protect channel profitability and ensured that the online business remained aligned with our broader profitability-first approach. After some softness in the early part of the quarter, the core India retail business saw improving trends and continued to perform well overall.

This remains an important indicator of the underlying health of the business, reflecting the strength of the store-led model, RedTape's consumer proposition and demand across our primary operating channels. On profitability the quarter reflected efficiencies across sourcing, supply chain and retail operations.

The key point is that we were able to protect margins without compromising either our pricing architecture or our consumer proposition. Average selling prices improved sequentially across footwear and apparel categories, including select categories such as open footwear. This was driven by product and category mix within the existing price architecture rather than broad-based price increase.

On the numbers specifically, standalone revenue for Q1 FY27 was INR480 crores compared with ~~INR460 crores~~ in Q1 FY26, reflecting growth of 3.7% year-on-year. Gross margin stood at 47.5%, EBITDA margin was 20.4% and PAT came in at INR47 crores compared with INR39 crores year-on-year.

Moving to some key business highlights for the quarter. There was a strategic portfolio expansion in April 2026, RedTape acquired the rights to the globally recognized sportswear brand Sprandi for India, Bangladesh, Nepal, Bhutan, Sri Lanka and some other countries, strengthening its sports and athleisure portfolio.

The brand is expected to be launched in India through online and retail channels by end of September. E-commerce discipline, the company consciously avoided excessive marketplace-led discounting, prioritizing brand integrity and healthy margins over short-term turnover growth.

The core India retail business remained healthy with demand improving as the quarter progressed after a softer start. ASP improvement was supported by a better product and category mix across footwear and apparel. As we move through the rest of the year, our priorities remain consistent, disciplined growth, stronger execution across channels, better operating leverage and continued focus on efficiency while protecting RedTape's consumer value proposition.

With this, we can open the floor for questions. Thank you, everyone.

Moderator: Thank you, sir. Ladies and gentlemen, we will now begin with the question-and-answer session. First question comes from the line of Nishita with Sapphire Capital. Please go ahead.

Nishita: Yes. Am I audible?

Arvind Verma: Yes, you are audible.

Nishita: Hello? Yes. Good morning. So I just wanted to know, so in this quarter we opened 33 new stores. So just wanted to understand what is our target to open how many stores in FY27 and if you can give that quarterly how many stores do we expect to open?

Arvind Verma: Yes. Hi. So we have opened 33 stores this quarter and we have aspirations to open 150 stores by the end of the financial year. So that's what we would like to answer on this.

Nishita: Right. And how fast are we able to ramp up these new stores?

Arvind Verma: So it depends on the size and the location of the store and in line of the scope of work and our furniture, fixtures. Basically, it depends on the size of the store. If it's a 1,000 square feet store, for example, they're able to ramp it up within 45 to 50 days. And if it's a store which is almost 3,000 or 4,000 square feet, then it takes around 75 days.

Nishita: But we're able to do it within 3 months?

Arvind Verma: Yes, we are able to do it. Definitely.

Nishita: Okay. And like what sort of growth are we expecting in FY27?

Arvind Verma: We hope to continue the same growth we have been showing over the years. So we hope to continue in the same stride.

Nishita: And our margins, are they going to stay in the same range of 20%?

Arvind Verma: Sorry, what 20%?

Nishita: Margins.

Arvind Verma: Hopefully, yes.

Nishita: Okay. And what like with this new brand Sprandi, what sort of target market do we have and what sort of growth do you see in this brand?

Arvind Verma: So with Sprandi we're getting in the sportswear category. It's a sportswear brand all across the niche, all across the world. We aim to put it in the sportswear category and it will be all everything related to sportswear. Initially shoes, but later on apparel also which resonate with the sportswear category will be put across in this brand.

Nishita: Okay, so we are going to first initially get only the shoes and then eventually we'll get the apparel also?

Arvind Verma: Yes, exactly.

Nishita: Okay. Understood. Yes, thank you so much. That is it from my end.

Arvind Verma: Thank you.

Moderator: Thank you. Next question comes from the line of Sameer Gupta with IIFL Capital. Please go ahead.

Sameer Gupta: Hi, sir and thanks for taking my question. Just wanted to understand this weakness in the e-commerce channel in a more detail, if you can elaborate. What exactly happened? Which were these marketplaces which were basically going for larger discounts? And see this is a sizable channel for the company and is there an algorithm that we have that beyond this percentage discount, we will not participate? And how do we ensure that we don't really lose sales to the end consumer with this approach? That would be my first question?

Arvind Verma: Yes, hi. So we don't see this as a weakness. The degrowth in e-commerce was largely a conscious outcome of our channel strategy during the quarter. Online marketplaces continued to push for higher discounting to drive turnover, but we chose not to participate in incremental discounting beyond levels that we considered appropriate for the brand.

So we have always maintained that e-commerce should be a profitable and brand-accretive channel and not merely a volume-led channel. Therefore, while this approach had a near-term impact on e-commerce revenues, it helped us protect margins. Also we are trying to avoid dilution of the brand's pricing architecture and maintain discipline across channels. So what we need to acknowledge and understand is that this was not reflective of any structural weakness. It was a deliberate choice to prioritize sustainable profitable growth over discounted turnover.

Sameer Gupta: That I understand, sir, but can you give a quantum as to like what is the percentage discount beyond which you are not comfortable participating in these -- in this channel?

Arvind Verma: So we cannot end up on saying that this is the discount we want to give and this is not the discount we want to give. It ultimately boils down to what is the event, how big is the event, how big are the numbers we are going to see, how does it impact our overall margins. So it's an ongoing process.

We cannot say that, okay, this is the discount I'll never cross this structure or I'll never cross this benchmark. This is not, I think how business in e-commerce works. It purely depends on the event. Say whether it is a BBD or a right to fashion sale. So it purely depends there. So how we work is we see what is the volume expected, what are the numbers expected.

And what are going to be my base line for margins. So whenever if the first quarter if you see, we have consciously focused on keeping our margins intact, in fact, bettering them than previous years. So that's what the call is. It purely depends on how it works. Although we see this as a small blip, we don't see that the numbers will not increase. We are very sure that the numbers will definitely increase across e-commerce channels also.

Sameer Gupta: Fair, sir. But at the end of the day, if you are not participating, some other brand would have participated and you would typically lose that sales. So I mean, if let's say tomorrow during the festive again such a opportunity comes through, you'll again have to make this choice. But at the end of the day, growing a brand should also be a priority. Maybe you could participate it via some lower price products or some sub-brands maybe?

Arvind Verma: So that's the call we'll definitely consider and take in the future. But I would also like to put a point here that there's not a case of we not participating. There's a case of how much deeper discounting we want to get into and what are the base margins we want to work on. So that was a call we said that we will protect our base margins and see what the numbers come in. Rather than giving a customer a heavy discount today and then during the bigger event, the customer is always expecting a higher much higher discount. So we need to bring that efficiency in the pricing structure that it does not dilute the top line as well as the margin.

Sameer Gupta: Got it, sir. That's very helpful. Second question is on broad inflation, sir. What kind of broader inflation in your overall basket are you witnessing? There have been some states where there have been a large quantum of minimum wage hikes announced. I understand your franchisee-driven EBOs, but your franchisees would be facing higher costs. So one in what kind of quantum of inflation you are facing and what kind of price hikes do you foresee in the immediate future, if any?

Arvind Verma: So if you see our results also, we have taken this into our account this minimum wage things and the other inflation costs due to the ongoing war and everything, but we have not increased our prices. So we are we are trying to bring in efficiencies rather than resort to -- which is the easy way out, I think increasing prices and everything.

We are still continuing to bring efficiency in our sourcing also and in our selling ways also in the retail environment and the online environment. So that is what we are focusing on. As of now, we have not increased -- taken a conscious call not to increase the MRPs as such. We are trying to keep the prices at the same level. Hopefully, by bringing in more efficiency and everything which we have seen in this quarter, we will continue to do so.

Sameer Gupta: And any quantum of inflation that you are facing, if you could quantify how much?

Arvind Verma: Not really. It's a regular business for us.

Sameer Gupta: Got it. I'll come back in the queue for follow-ups. Thanks.

Arvind Verma: Yes, thank you.

Moderator: Thank you. Our next question comes from the line of Amit Dharnidharka with ACPL. Please go ahead.

Amit Dharnidharka: Yes, good morning, sir. This is regarding the online revenue. In your presentation, I read it's come down from 30% to 22%. I heard about your deep discounting model that you're following. What is the deep discounting model? Is this revenue from online going to come down for the rest of the year or it's a one-off thing or how does it work?

Arvind Verma: We would like to believe it's a one-off thing. Of course, e-commerce is a big channel for us, has been a big channel for us and if you see the reason why it has come to down to 22% from 30% is because retail has grown whereas we have not seen growth in e-commerce because we did not get into the higher discounting in the first quarter.

Generally, what happens is we have seen that when if there is a higher discounting, if we get a little finicky and get into higher discounting at the because quarter 1, quarter 2 are generally weak for us. So if we get into higher discounting today then by the time the season comes in, by the time the big BBD sales of the world come in, then you have to get into that deep waters and get into more discounting and everything.

So we have what we have done is we have sustained that. We have managed to keep that discounting in a very clear manner where our margins don't get affected. But having said that, this has also brought in a little bit of mindset in the consumer call that the pricing is not going to be -- the pricing is such that if there's any further discounting, then that's the best price. So we're very, very clear on it. Basically it’s a brand protection in the e-commerce sector. We need to not dilute our brand image here.

Amit Dharnidharka: Yes, but going forward, the revenue guidance for the financial year would be the same or would there be a change then?

Arvind Verma: Honestly, I would not like to comment on e-commerce specifically.

Amit Dharnidharka: Not e-commerce I am talking in total revenue guidance?

Arvind Verma: No, we are very hopeful that we will continue the same growth story which we have been doing in the last 3 years, 4 years. So we'll continue the same growth.

Amit Dharnidharka: Okay. And the new stores that you're opening up, what were the sizes of that? Are they online, offline or it's a mix?

Arvind Verma: So it's a mix of both, but the smaller stores are more in number because since we're entering into the South, East and West of the country, so we're opening stores which are in the range of 800 to 1,500 square feet and hence the numbers would be more. The store numbers would be more.

Amit Dharnidharka: It would be more. Okay. All right. Thank you.

Moderator: Thank you. Next question comes from the line of MS Arun with Capital Market. Please go ahead.

MS Arun: Good morning, sir. What is the reason for shortfall in the other income? Is it because of lower rebate and discount from online portals?

Arvind Verma: Mr. Vivek would be taking this question.

Vivek Agnihotri: Hi. Basically, the rebate income which the e-commerce platforms gives that has been reduced considerably. Basically, the reason of lower rebate income from the e-commerce platforms.

MS Arun: What is the actual amount for this quarter, sir?

Vivek Agnihotri: It's around INR8 crores or INR9 crores.

MS Arun: INR8 crores to INR9 crores corresponding previous quarter, sir?

Vivek Agnihotri: Previous quarter, from the last year it was around I think it was INR28 around in the same year, last quarter.

MS Arun: Yes, INR28. Okay. Thank you, sir.

Vivek Agnihotri: Thank you.

Moderator: Thank you. Next question comes from the line of Sanjay Munjal, an Individual Investor. Please go ahead.

Sanjay Munjal: Hello. My question is on the accessories segment. Last year, we launched like luggage and the sunglasses. So I just wanted to know like is it available across some of the stores or it's live on all the 700-odd stores?

Arvind Verma: Yes. So sunglasses you can find in most of the stores. Almost 80% of our stores now carry sunglasses because we we're seeing a good traction in sunglasses in our retail stores. With respect to hard luggage, luggage category as an overall has moved to online rather than offline. So hard luggage is more present on the online platform such as Flipkart, Myntra than our stores. So our some of our stores, I would say only 10%, 15% of our stores carry hard luggage. The primary business of hard luggage has now gone online. And this is for everybody for the whole category, for the whole industry.

Sanjay Munjal: Okay. So we don't plan to get the hard luggage on all the stores?

Arvind Verma: No as of now no.

Sanjay Munjal: Will that not help us improving our same-store sales growth?

Arvind Verma: See we need to understand what we are trying to do here. Just as I mentioned, sunglasses because it's a category which is still being bought offline, so it is on they're almost in 80% of the stores now. But hard luggage as a category is has moved online. Most of the brands, most of the stores of I would say legacy brands, I have also seen their numbers coming from online more rather than offline. So that's how the category has shifted. So we're doing that.

Sanjay Munjal: Okay. And that's fine if the industry is moving to online platforms. Second question is regarding our presence. In North India, we have a very good presence in the high streets, but little to no presence in the shopping malls. So do we have any plans of entering the shopping malls maybe by the RedTape mile kiosks or because we want to expand our accessories segment and that will help us maintaining our brand positioning maybe? So do we have any plans of entering the shopping malls?

Arvind Verma: So I'll take this question a little differently. I would say North India does not have as a stronger mall approach like we have in South India or West India. South India has more shopping in malls rather than North India, which still has more shopping on high streets. So I would like to put it that way.

Having said that, whenever we're getting into new territories, we're getting into South now, West now, so we are also approaching malls and we will be opening good in good malls. For example, we have recently opened a store in Forum Mall, Calcutta. So it's basically the need of the zone, the city where we are expanding. If it's a mall which is stronger than the high street, we'll definitely open a mall.

Sanjay Munjal: Okay. And my last question would be on the overseas revenues. Like recently, we have good number of stores in UAE and like East Asia. So because of this war, Iran war, do we have any impact on store revenue from that like how much is the store revenue?

Arvind Verma: Our overseas stores in UAE are basically franchise-driven. It's not our own stores. But having said that, there were there was an initial downfall on revenue there, but it is now again building it up. What we are hearing from them is the customers have largely come in back and the numbers are better than last year for the last month. I would not say for the whole quarter.

Sanjay Munjal: Okay. So initially in the quarter it was impacted and just one last thing can you show some guidance on the exports revenue like going forward, maybe we are having good FTAs with other countries and do we have any guidance or plan for increasing our exports revenue?

Arvind Verma: So we are currently in the process of approaching some good retailers and distributors. We definitely have aspirations to grow in the international market and we have been approaching different master distributors or retailers who can stock-in our stock and everything. For example, we have appointed a master distributor in UK by the name of Style Label Manchester and the transaction has already started. And we hope that we'll be getting good numbers there.

Sanjay Munjal: Any guidance on like a rough guidance in numbers?

Arvind Verma: It's too early to commit on any numbers because it's a new market. So it will take some time to bring in that numbers and goodness.

Sanjay Munjal: Thank you. That's it from my side.

Arvind Verma: Thank you.

Moderator: Thank you. Next question comes from the line of Pawan Kumar with Shade Capital Private Limited. Please go ahead.

Pawan Kumar: Thank you for the opportunity. So my first question is I think there is a good improvement in gross margins. What led to that?

Arvind Verma: Sorry, come again?

Pawan Kumar: I think we can see a very good improvement in gross margins. What is the reason for such a good improvement, I think more than 200 basis points?

Arvind Verma: Mr. Vivek will take this question.

Vivek Agnihotri: Sir, basically the increase in margin is from the retail impact. The retail margins are really good this quarter vis-a-vis as compared to last year. And also there are some operating leverage and optimized supply chain. So in that case, we have got the good EBITDA margins increased.

Pawan Kumar: Okay. And sir, do you provide same-store -- yes, sorry please?

Vivek Agnihotri: Actually, basically if you see we have worked on operational efficiency of the company. That's why you can see that we have a good margins. We have control over the expenses also, supply chain expenses also, operating leverages.

Pawan Kumar: So basically, I'm referring to gross margins, sir.

Vivek Agnihotri: Gross margins basically for the retail impact you can say retail impact. We have a good retail impact.

Pawan Kumar: Okay. And sir, can you tell me about the same-store sales growth, that number, if you can provide for this quarter?

Arvind Verma: I think we'll get back to you on the SSSG. The SSSG normally in the first quarter is not very good for everybody in the industry I would say, but we'll come back to you on this.

Pawan Kumar: Sure. And sir, regarding Sprandi at what price point you want to position this vis-a-vis your current products?

Arvind Verma: It's a mid-priced brand across the world, so we'll have the same strategy here.

Pawan Kumar: Okay. And lastly, sir, like I think you have alluded like there was many reasons why e-commerce sales has dropped. Now it is roughly 22% of your revenue. So at an annual level, would we be expecting the same level of percentage from this channel?

Arvind Verma: Of course, yes. The aspiration is there. The aspiration is there to that e-commerce remains at the 30% level, it has always and that the scale it has always been within our turnover. We expect that it will come back to that.

Pawan Kumar: Okay. Thank you for all the answers, sir. These are my questions. Thank you.

Arvind Verma: Thank you.

Moderator: Thank you. Next question comes from the line of Nishita with Sapphire Capital. Please go ahead.

Nishita: Yes. Thank you for the follow-up question. Sir, I missed the export contribution in Q1 FY27. Can you please reiterate that?

Arvind Verma: Sorry, can I have the question again?

Nishita: Yes. I missed the export contribution in Q1 FY27. If you could just reiterate that number?

Arvind Verma: What is our export numbers?

Vivek Agnihotri: It's around INR2.5 crores.

Arvind Verma: Around INR2.5 crores.

Nishita: Okay. Understood. And my next question is like do we plan to do more acquisitions to expand our portfolio? Is there anything in pipeline currently?

Arvind Verma: So there's nothing in the pipeline as of now, but if there's an opportunity we would like to suddenly go through it. So we're not saying it's never say no. So we have that approach. So if there's an opportunity, if there's a good opportunity we'll definitely consider. But as of now, there's nothing in the pipeline.

Nishita: Right. So in what category are we going to look for the acquisition?

Arvind Verma: We would like to remain in the same category we are currently in, fashion and lifestyle and would like to be rooted here.

Nishita: So like what product category, I meant?

Arvind Verma: It could be footwear and apparel, both.

Nishita: Okay. Understood. And my next question is that currently in the brand mix, RedTape is contributing around 95% to the revenue. Do you see this brand mix changing like do we expect other brands to contribute more and RedTape contribution to hence then go down because the other brands are contributing more?

Arvind Verma: In an ideal scenario when we grow and the kind of growth we have shown over the years, if we have the same growth, we would like our sub-brands to also grow accordingly. We plan to make Ozark and Sprandi bigger by the year.

Nishita: Okay. Yes. Thank you so much.

Arvind Verma: Thank you.

Moderator: Thank you. Our next question comes from the line of Yash Agarwal with Landmark Capital. Please go ahead.

Yash Agarwal: Yes, good morning. Wanted to understand what were the inventory days currently stand and what are the targets for the full year?

Arvind Verma: Mr. Vivek would take this question.

Vivek Agnihotri: The inventory levels if you say, it has gone down considerably from the last year. It is now 173 days and we are targeting to reduce it to 150.

Yash Agarwal: Okay.

Arvind Verma: As we I would like to add in here, but currently as we see the big season the quarter 3, quarter 4 generally have very bigger numbers and we do not want to lose on opportunities wherein we have less stock. So there will be a build-up now in Q2 and then from Q3 and Q4 it goes down. So that's how traditionally how the inventory pile-up works.

Yash Agarwal: Okay. And second thing, earlier in the call, I remember you mentioned that roughly 200, 250 new stores target was there for the full year. So is there any change in the target or are we still maintaining that?

Arvind Verma: We're still maintaining that. That's an aspiration we have. So 33 stores we have already opened in the first quarter and 150-plus we are thinking we are, I mean, aspiring to open. So we generally want to remain close to that number.

Yash Agarwal: Fine. And another question. Wanted to understand about the status of the September 2025 income tax search proceedings. Is there any further communication that we have received that could result in any material tax or any provisions or liability, sometimes?

Arvind Verma: So with respect to the income tax seizure and things, it's an ongoing process. I think this is how the department works. This is how what we have been told that it will take 2 years, 3 years to eventually close it down. But as of now there's been no claim of any material and there's no risk of any material. That's what we would like to say and it's an ongoing process.

Yash Agarwal: Okay. That's all from my side. Thank you so much and all the best.

Arvind Verma: Thank you.

Moderator: Thank you. Next question comes from the line of Kushal, an Individual Investor. Please go ahead.

Kushal: Hello. Am I audible?

Arvind Verma: Yes.

Kushal: Yes. So my first question was, can you provide category I actually joined the call late, so can you please provide a category-wise footwear, apparel, accessories growth year-on-year Q1 FY26 versus FY27?

Arvind Verma: So we would like to get you know the share. Footwear is now footwear is 56% of the Quarter 1 turnover and 39% is comes from apparel and 5% has come from accessories.

Kushal: No, actually I'm talking about growth year-on-year growth category-wise?

Arvind Verma: So you see, for a complete year, so apparel and footwear work very differently for us. Apparel is very stronger in the Q3 and Q4. So that's where we actually see a lot of growth in apparel. During the Q1 and Q2, footwear is what keeps us afloat. So to compare, we haven't made a comparison as for Q1 versus Q1. I think we'll make that and share.

Kushal: Okay. And second question was on do we have non-BIS inventory? Is that liquidated or that issue is behind us?

Arvind Verma: We still have some non-BIS inventory and the industry has got an extension for a year. So we are hopefully that that we'll be able to I think there will be one more extension for this and hopefully we'll be all clear. The industry will be clear, not even us. It will be clear for the industry as well.

Kushal: Okay. And last question was there has been some market discussions regarding potential stake sale by promoter to private equity investor. If you could give color on that, whether that is true or not?

Arvind Verma: We would not like to comment on any market speculation.

Kushal: Okay.

Arvind Verma: I think that's not there.

Kushal: Thank you. That's it from my side. Thank you.

Moderator: Thank you. Next question comes from the line of MS Arun with Capital Market. Please go ahead.

MS Arun: Sir, you have attributed the margin improvement to the retail sales, higher retail contribution to the top line. You also commented the e-commerce contribution to the top line will be back to 30%. Does that mean that there will be a moderation in the operating margins from Q1 levels going forward for the rest of the year?

Arvind Verma: See, what we can say as of now is we intend to keep our margins intact and to do that and actually take it upwards. So that's the core focus of ours. Although we are focused on our top line, but we are making sure that our margins don't get hit at any at any stage during the quarters. So I would like to say that that there's an aspiration to increase the margin. At the same time, we're very sure that the targets we have set out for we'll be achieving them.

MS Arun: Okay. Thanks.

Arvind Verma: Thank you.

Moderator: Thank you. Next question comes from the line of Pawan Kumar with Shade Capital Private Limited. Please go ahead.

Pawan Kumar: Thank you for the opportunity for follow-up. Can you provide category-wise breakup of maybe gross margins, if possible? Gross margin or maybe EBITDA margin if you can provide, some color on that?

Arvind Verma: So we don't have anything ready as of now. We'll share it later. It will be better if you send a query to EY and then we can sort of reply to that.

Pawan Kumar: Sure. And sir, what is what is your aspiration for EBITDA margin for this year? Would it be on the same line or you want to increase or maybe decrease a bit to maybe increase the revenue? Can you get some sense on that?

Arvind Verma: We would like to remain as it is now. We'd like to be stable.

Pawan Kumar: Roughly at 20%, right?

Arvind Verma: Yes.

Pawan Kumar: Okay, sir. Thank you, sir. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I would like to hand the conference over to Mr. Arvind for closing comments. Thank you and over to you, sir.

Arvind Verma: Thank you. Thank you, everybody for joining us today and for your questions. To conclude, Q1 FY27 reflected RedTape's disciplined approach to growth in a mixed consumption environment. While near-term demand trends remain uneven across channels, the underlying strength of our core India business, our focus on protecting brand value and continued execution across sourcing, supply chain and retail operations, which has helped us deliver a strong, profitable outcome.

As we move ahead, our priority remains to drive sustainable growth across channels, maintain discipline on pricing and margins and continue strengthening RedTape's consumer proposition. Should you have any follow-up questions, please feel free to reach out to our investor relations partners at EY, Kasturi and Nikita and we'll be happy to engage further. Thank you very much. Thank you.

Moderator: Thank you so much, sir. Ladies and gentlemen on behalf of RedTape Limited that concludes today’s conference call. Thank you for joining us and you may now disconnect your lines.