

November 14, 2025

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001

National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (East)
Mumbai- 400051

Scrip Code: 540205

Symbol-AVL

Sub: Transcript of Analysts/Investors Call pertaining to the Unaudited Financial Results for the quarter and half year ended September 30, 2025

Dear Sir(s)

Please find attached herewith a copy of the transcript of the Analysts/Investors Call on the Unaudited Financial Results of the Company "Aditya Vision Limited" for the quarter and half year ended September 30, 2025 held on Friday, November 07, 2025.

The same is also being made available on the Company's website at: www.adityavision.in.

This is for your information and record.

Thanking you

Yours faithfully

For Aditya Vision Limited

Akanksha Arya
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Akanksha Arya
Date: 2025.11.14
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Akanksha Arya
Company Secretary



“Aditya Vision Limited
Q2 FY '26 Earnings Conference Call”

November 07, 2025



IIFL CAPITAL



MANAGEMENT: **MR. YASHOVARDHAN SINHA –CHAIRMAN AND
MANAGING DIRECTOR – ADITYA VISION LIMITED
MRS. YOSHAM VARDHAN – WHOLE TIME DIRECTOR
– ADITYA VISION LIMITED**

MODERATOR: **MR. SIDDHESH DESHMUKH – IIFL**

Moderator: Ladies and gentlemen, good day, and welcome to Aditya Vision Limited Q2 and H1 FY '26 Earnings Call hosted by IIFL Capital Services Limited. As a reminder, all participant line 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 Mr. Siddhesh Deshmukh from IIFL. Thank you, and over to you, sir.

Siddhesh Deshmukh: Hi, everyone. Good evening. We are pleased to host the management of Aditya Vision Limited for their 2Q FY '26 earnings call. I have with me on the line, Mr. Yashovardhan Sinha, Chairman and Managing Director; and Ms. Yosham Vardhan, Whole-Time Director. I will hand over the call to the management for their opening remarks, post which we can open the floor for Q&A session. Over to you, sir.

Yashovardhan Sinha: Thank you, Siddhesh. Good evening, everyone. We are delighted to welcome you to Aditya Vision's Q2 and H1 FY '26 Earnings Conference Call, where we will review the company's financial and operational performance, along with key strategic developments during the period. Our earnings presentation and financial results have been uploaded to the stock exchanges, and we hope you have had a chance to review them.

Trailing muted Q1, July-September quarter presented its own set of external challenges, marked by extended and above normal monsoon across our key markets. The rainfall during the period remained significantly above the long-term average with Uttar Pradesh receiving around 870 mm, Bihar about 990 mm and Jharkhand roughly 785. Temperatures were also significantly below seasonal norms, which resulted in softer demand for cooling products. More details are on the investor presentation.

In addition, the quarter was influenced by subdued demand during the Shradh period, coupled with delayed implementation of the revised GST slabs, which kept customers withholding their purchases throughout most of the August and September. With the onset of festive season, colliding with implementation of revised slabs of GST from September 22, 2025, the last 9 days of quarter saw a very strong rebound with demand rising exponentially in big size television and AC category along with all other categories as well, which gave us respectable growth in sales.

Despite these temporary headwinds, Aditya Vision delivered a robust performance in Q2 with revenue growing by 22% year-on-year to INR458 crores. Our gross and net margins largely remained stable, supported by an optimized product mix, tight cost control and

continued efficiency in operating expenses.

As a result, profit after tax for Q2 increased by 4.2% year-on-year to INR13 crores. Category-wise, large screen televisions, mobiles and washing machine performed well, supported by pent-up demand and improved affordability following the massive GST cuts.

We continue to expand our retail footprint with the same cluster discipline that has been central to our model, adding 9 new stores during the quarter and taking our total to 188 as of September 30, '25. We remain on track to cross the 200-store milestone within this financial year, reinforcing our presence across Bihar, Jharkhand and Uttar Pradesh and expanding deeper into UP markets.

With our entry into bigger cities and towns in UP, we have seen elevated capex due to bigger store sizes, which will continue as our major expansion now focused on large showrooms. Our cluster-based approach ensured optimized logistics, superior service delivery and a stronger regional brand recall, helping us sustain our leadership in Hindi Heartland.

As of September 30, 2025, our inventory stood at INR676 crores. The higher inventory position reflects deliberate stocking for the ongoing festive period with major events such as the Dussehra started from September '22, Navratri and Dhanteras and Diwali coming in very early this time in mid-October.

This strategic buildup ensured adequate product availability across key categories and timely readiness for peak consumer demand during the festive season. Encouragingly, early trends of festive period indicate strong momentum, particularly in premium appliances supported by post GST price rationalization and improved consumer sentiment.

Aditya Vision has entered Q3 in a strong footing, supported by healthy demand trends and strategic inventory positioning. The broader environment is turning increasingly supportive with several policy initiatives driving rural and semi-urban consumption.

The INR10,000 direct transfer under the Mukhyamantri Mahila Rojgar Yojana in Bihar to about 1.30 crores women amounting to INR13,000 crores is already boosting household liquidity and discretionary spending. The free electricity scheme for up to 125 units per household amounting to approximately INR900 per month is lowering monthly outflows, freeing up income for essential and aspirational purchases.

Salary revisions linked to the 8th pay commission with hikes of 30% to 35% for government employees and pensioners will further enhance purchasing power. And at the national level, personal tax relief announced in the Union Budget 2025 are expected to release over INR1 lakh crores into consumers' hands, creating a multiplier effect for retail

demand.

Our fundamentals remain strong and future-ready built on 26 years of consistent execution, regional dominance and an unwavering focus on delivering value for our customers, partners and stakeholders. With that, I'll now hand over the floor to Mrs. Yosham Vardhan to share the financial highlights for the quarter and half year ended. Over to you, Yosham.

Yosham Vardhan:

Thank you, sir. Good evening, everyone. We are delighted to showcase the financial performance of Q2 FY '26 and H1 FY '26. Here is a snapshot of our financial outcomes.

During H1 FY '26, our revenue increased 10.5% year-over-year, driven by continued expansion and steady demand recovery across key product categories. Gross margin stood at around 15.2%.

EBITDA stood at approximately INR124 crores, translating to an EBITDA margin of around 8.9%, reflecting disciplined expense management and operational efficiency. PAT grew by over 4% year-over-year in H1 FY '24. SSSG for Q2 FY '26 bounced back to double-digit 12%, while for H1 FY '26 came to 2%, reflecting a softer first half impacted by extended monsoons and temporary GST-related adjustments.

However, demand witnessed a strong rebound towards the end of the quarter, supported by improved festive traction and recovery in consumer sentiment. In H1 FY '26, Bihar contributed the majority of revenues touching 77%, followed by Jharkhand, 11% and Uttar Pradesh, 12%, reaffirming the strength of our cluster-based approach and strong regional presence.

In Q2 FY '26, our revenue recorded a year-on-year increase of 22%, supported by a strong rebound in the closing weeks of the quarter. Gross margin remained steady at around 15.1%. EBITDA for the quarter stood at approximately INR35 crores with margins of 7.6%. Profit before tax stood at approximately INR17 crores and profit after tax for the quarter stood at INR13 crores, up by 4.2% from INR12 crores in Q2 FY '25. We can now open the floor for questions.

Moderator:

Thank you, ma'am. Thank you very much. Our first question comes from the line of Anirudh Joshi from ICICI Securities. Please go ahead.

Aniruddha Joshi:

Congrats for very healthy revenue growth in a tough quarter. Sir, now the margin is slightly on the lower side on a year-on-year basis. I agree these kinds of variations are normal, but any color if you want to share on that? That is question number one.

Question number two, now in AC and fans, the entire industry will shift to new BEE norms from January itself. So just less than 2 months now. So, what is the strategy on inventory

buildup in these 2 categories before the -- in a way the change happens in terms of pricing also and new products also?

And third and important question, now with the Bihar elections underway, we hear about a lot of schemes like INR10,000 given to more than 1.25 crores women. So logically, that can lead to some growth in kitchen appliances or other appliances also. So, what is the outlook? And how do you see the -- any potential on that front? Yes, that's it from my side.

Yashovardhan Sinha: Aniruddha, as far as gross margin is concerned, it would -- actually sale of air conditioner and cooling products, as you know, has been muted in entire half year. So, this is because we were having much better margins in cooling products normally in Q1 also. So, in that H1 has suffered. And in fact, what I told in the earning call also that even Q2 was also very soft in that temperature-wise or rainfall, but there were a lot of rainfall. So gross margin was under pressure definitely because of major categories of cooling products were flat.

Secondly, you have asked for new launches of AC. Yes, new launch of ACs is in the pipeline from all manufacturers. So, we think that going forward, we'll be having new products altogether because we -- as I have told earlier also, we are comfortable on our inventory side.

Lastly, what you asked about the scheme, INR10,000 Mukhyamantri schemes has come. It has, in fact, inducted around about INR13,000 crores in the hands of women. And we are expecting a very good rebound in ASPs also because of this extra liquidity among them. And we are very bullish on commercial refrigerators or commercial deep freezers and all that because these categories will do very well for those who want to build some new businesses.

Aniruddha Joshi: Okay. Sure, sir. Very helpful. And just one last question. What will be the inventory of cooling products that is essentially air conditioner and refrigerator, any excess inventory only in these 2 products?

Yashovardhan Sinha: No, I just told you that there's nothing. We are very comfortable as far as cooling product. The cooling product inventory actually refrigerator, there is no problem at all. The reason being that we are very -- always very short of it because it is sold across the entire year. And ACs are, of course, these are the products which are sold mostly during summer period. So, we are comfortable on that.

Moderator: Our next question comes from the line of Yash Sonthaliya from Edelweiss Public Alts.

Yash Sonthaliya: Congratulations for a good set of numbers. So, my first question is on the pricing part, which you have mentioned in your PPT, 7%, 8% decrease in prices. Is this a replacement

to the EMI discount, which came after GST in all your stores? Or is it over and above those discounts which are going on?

Yashovardhan Sinha: No, no. My answer in a very simple way, Yash, 7% to 8% prices have come down just because of GST cut. It's nothing to do about with our discounting on anything.

Yash Sonthaliya: So, if I'm understanding it correctly, then now in the stores, the prices will be 7%, 8% down and then there will be also one EMI or something which is already going on. Am I correct?

Yashovardhan Sinha: These are ongoing schemes which is given by the manufacturers in collaboration with financiers. So, these things are totally different thing, which is brought by the manufacturers.

Yash Sonthaliya: Got it. Got it. And sir, specifically, like you already mentioned in the earlier question, but specifically Q2 to Q2 comparison, our AC and cooling product sales were on the Y-o-Y basis lower level for the quarter or at least have grown?

Yashovardhan Sinha: No, it has not dipped. It has just remained flat.

Yash Sonthaliya: So sir, I wanted to understand if the sales of cooling product has been flat on Y-o-Y basis, then why our margins for Q2 is lower by 30 bps when compared to Q2 of last year?

Yashovardhan Sinha: This is the reason because we were selling ACs a lot. The percentage of sale of AC was nearly 48% last year. And in H1 -- entire H2, it was 38%, which has come down to 34%. So, when cooling products -- sale of cooling products come down, margins are affected.

Yash Sonthaliya: Got it. And sir, last bookkeeping question. What was the SSSG particularly for Q2?

Yashovardhan Sinha: SSG for Q2 was 12%.

Moderator: Our next question comes from the line of Manoj Gori from Equirus Capital.

Manoj Gori: Glad to see the assuring performance during Q2 despite the uncertainties. So, my question is, if we look at this year, as you highlighted in the opening remarks, like at the end of the quarter, probably during the last week, we saw a huge turnout of consumers with the festive season onset and GST rates getting implemented.

There has been some spill from Q3 to Q2. So just a near-term question, Q3 and Q4 when we are looking at 20%, 25% growth, but with festive season slightly moving into Q2, how do we see the quarter probably for the second half? That's my first question.

Yashovardhan Sinha: That's your first question. Can you ask all your questions?

Manoj Gori: Sir, my second question is, given that this year, we have seen a very muted performance on the cooling product categories, including air coolers, refrigerators or ACs, how do we see the upcoming season because obviously, the base will be favourable. Do you see pent-up demand coming in the volumes that we would have lost, plus do we see organic growth also kicking in? And accordingly, your Q1 of FY '27 should be extremely strong. And accordingly, your FY '27 growth might look far higher than what we normally aspire for of 20% to 25%, that's my second and last question.

Yashovardhan Sinha: Okay. My reply to your first question is that, yes, of course, 9 days, it had kicked in-- huge sale -- had kicked in and festive season overlapped Q2. But entire -- as you know, in Bihar, in Jharkhand and Eastern UP, our festive season is prolonged. It goes beyond Diwali upto Chhath, which is almost -- we have got another month's time, entire October, we have got as a festive season.

This was the reason also for keeping our inventory level high because we were aware that we'll be selling throughout October. And as I have told you that it has started very well also. So again, whatever we are still seeing very good pent-up demand. Still, we are seeing and what I said that from macro level, so much of money is coming. So, the money, we definitely, we believe that it is going to come into our system. And second question was about that we'll be doing better. Yes, yes.

Manoj Gori: Better than 20%, 25%.

Yashovardhan Sinha: Yes, definitely, this is what we foresee. And you can understand that even though we'll be entering into Q3 and Q4, we expect very good figures in Q3 and Q4 both as well. And what you said that if things are normal, then Q1 FY '27 should be definitely a very, very great one.

Manoj Gori: Sir, one small question just as a follow-up. So, if we look at all the government initiatives or the liquidity infusion that has been happening, are we trying to be conservative or probably we are still keeping a watch how this translates into demand? As you highlighted in your opening remarks as well that all this INR10,000 and everything will be flowing into the purchases. Can this be an additional catalyst for demand in the coming times?

Yashovardhan Sinha: Definitely, Manoj that the money, whatever money is coming in the hands of these people, it is bound to be invested somewhere like just think of it that it is passed over to women mostly. And if they start up a business, they are going to get another around full INR2 lakh per person if they start a business.

So, starting -- for starting a business the primary thing will be either it will be a dairy, in dairy, they need refrigerator, they have to come to us. For establishing a business, they

have to have a mobile or a laptop. So, these are -- the money is going to bound to flow into our system, and we will be a key beneficiary for all these benefits.

Moderator: Our next question comes from the line of Vidhi Shah from CRK.

Vidhi Shah: My question is how many stores are you planning to add in FY '24?

Yashovardhan Sinha: Excuse me, Vidhi Shah, can you speak louder, please?

Vidhi Shah: Am I audible now?

Yashovardhan Sinha: Yes, yes. You are audible but just slightly louder.

Vidhi Shah: Yes, sir. So, my question is can you guide us on the number of stores that you're planning to add in FY '26 second half as well as FY '27? And can you tell me how will it be funded?

Yashovardhan Sinha: It will be funded from our own sources. And we are planning to add 30 to 35 overall stores in FY '26.

Vidhi Shah: Okay. 30 to 35 in H2 '26 itself?

Yashovardhan Sinha: No, no. I said overall. So, whatever we have opened, overall, it will be 30 to 35 stores in entire year.

Vidhi Shah: Okay. Understood, sir. And your guidance on EBITDA margins and SSSG?

Yashovardhan Sinha: We have already -- one more thing. We have already opened 13 stores, and our strategy is to open most of the stores in H2. This is -- this strategy means with us. So, most of the stores will be opened in H2.

Vidhi Shah: Okay. Understood, sir. And any guidance on the EBITDA margins and on the SSSG?

Yashovardhan Sinha: We hope to maintain our EBITDA margin. I can give you a range from 8% to 10%.

Moderator: Our next question comes from the line of Chetan from Systematix Group.

Chetan: Congratulations on strong top line performance. Sir, two questions. First, can you give some qualitative sense on how is the revenue per square feet in UP compared to Bihar? And second, if we see the store breakeven period is currently, say, around 7 to 9 months. So, do the newer stores in UP show similar trajectories? Or is the gestation lengthening with the deeper market entry currently?

Yashovardhan Sinha: In our opinion, we do not divulge these figures where we are doing what sort of a sale

because that's not good for the competition purposes. However, I think breakeven will remain the same, what we have projected. And UP is what we see that UP is performing very well. And as I told you in last conference call also, that UP has been performing exceedingly well, more so in the larger cities and because of which we are shifting to larger cities as well. And I think going forward, we'll be maintaining it.

Moderator: Our next question comes from the line of Aliasgar Shakir from Motilal Oswal Mutual Fund.

Aliasgar Shakir: Sir, first question is on the -- I mean, outlook. If you can just share how has so far the festive season gone? And given that this year, festive season has shifted. So, if you could like-to-like give us an indication of how you would have seen the festive season performance?

Yashovardhan Sinha: Festive season was very robust. We have already been saying. In fact, it was there were huge tailwinds supporting it. So, our festive season was very robust.

Aliasgar Shakir: Got it. And just a quick follow-up there is that have you seen any impact in business post festive season or the traction is continuing to be strong?

Yashovardhan Sinha: Post festive season, of course, the sales are generally normalizing, but we are seeing good uptick.

Aliasgar Shakir: Understood. Sir, second question is on the inventory. So overall inventory is more or less similar to where it was in March, somewhere about INR20 crores, INR25 crores lower. So if you can just share your thoughts, I understand that March typically is your peak inventory because of the beginning of the summer season?

I know even now you would have seen some buildup, but I thought that one would have expected this to come down more significantly probably because of the buildup of AC inventory would have come down. And you mentioned that you are at comfortable level in the AC inventory. So just your thoughts on that.

Yashovardhan Sinha: Yes, but it was very normal for us. And as I told you that this September quarter, in fact, it was amidst festive season. So, it was -- in fact, I'll say it was a very peak period for the festive season. And we could not have afforded to have anything to not build at that time when entire month of festive season where huge sales are expected was in front of us. So, I don't think it's all strategic buildup, and it has to be done to, as you said, to increase the sale as well as profit.

Aliasgar Shakir: Okay. So how should this trend in December, I mean, given that once the festive season is behind?

- Yashovardhan Sinha:** In December end, definitely, it will come down. And because there won't be any such triggers at that time. But again, nobody can say for sure that we will not be having that good level of inventory. The reason being that we are foreseeing 6% to 8% increase in air conditioner prices from -- going forward from 1st of January.
- So maybe if we are -- we get good deals with companies for the older models, it will be very much cheaper than the new series. So, it all depends, Ali, because you have to be a businessman for this purpose.
- So, the whole thing becomes that we are reporting end quarter results. So maybe it will be very, very low even up to 25th of, let us say, December, but it can go up by 31st if we get very good deals from manufacturers. So, this is all, I'll say, the reason is very, very practical and business oriented.
- Aliasgar Shakir:** Got it. So, sir, on a per store basis, typically, what is your stable inventory that you keep during the peak season. So, this quarter, I think it's gone somewhere close to about INR3.6 crores.
- Yashovardhan Sinha:** No. Otherwise our per store our ballpark figure is around INR2.75 crores to INR3 crores.
- Aliasgar Shakir:** Got it. So, it's close to about INR50 lakhs to INR75 lakhs more than your normal inventory level you are saying during festive period?
- Yashovardhan Sinha:** Yes, around INR60 lakhs. Right.
- Aliasgar Shakir:** And just last question, sir, if I can ask is on your -- this quarter, interest cost has gone up, whereas your borrowings are -- have not increased. So, can you just explain why this interest cost has gone up?
- Yashovardhan Sinha:** It has gone up because of Ind AS, application of Ind AS also. and Ind AS.
- Aliasgar Shakir:** Okay. I mean I was just doing the simple math that your SSSGs are very strong. So ideally, your EBITDA growth--
- Yashovardhan Sinha:** Actually, you are seeing whatever we are -- inventories on our books on 30th September, it is to be paid after 30th September. So, interest cost is not very high. Main interest has gone up on amortization and financing.
- Moderator:** Our next question comes from the line of Anshuman Srivastava from Srivastava Holdings.
- Anshuman Srivastava:** Yes sir, our working capital days has consistently increased from FY '20 to currently H1 FY '26. Can you please work on improving this?

- Yashovardhan Sinha:** It all depends on -- you are looking at days inventory. So that I've been telling so many times that...
- Anshuman Srivastava:** No, not the inventory. I'm talking about inventory days, inventory days and working capital days. This is on Page number 25 of presentation.
- Yashovardhan Sinha:** So this is only because our inventory has increased on 30th September.
- Anshuman Srivastava:** No, I mean it has consistent -- working capital days and inventory days have increased...
- Yashovardhan Sinha:** You have to understand that in last financial year in H1 FY '25, festive season was not at the end -- it was not in September. It did not start in September. So we would like...
- Anshuman Srivastava:** Sir, I'm not comparing with the last year. I'm comparing the trend over the past 5 years. And when I compare inventory days to payable days, payable days has remained low, somewhat low, but inventory days has consistently increased over the last 5 years. I'm not comparing with the last financial year, I'm comparing the trend over last 5 years.
- Yashovardhan Sinha:** You have to understand that -- wait I understood your question. You have to analyze our expansion also. Most of our inventory, these are sent to the new stores. We have to buy it in advance to send to the new stores. And we have been opening even 45 stores in a single year. So we have to manage the inventory in such a way that it is going up only because we are expanding. Supposing we start -- stop expanding, inventory days will come down.
- Anshuman Srivastava:** Okay. So you're saying that once the expansion rate slows down that rate will also go down...
- Yashovardhan Sinha:** Supposing a new store has opened, the inventory will be the same. You have to keep the inventory at the same level, but sales will not be that much. So this is the reason. And when you are opening in a big way, scaling up your business, then it is bound to go up till such time where we are -- let us say, we will be moderate or our percentage of increase in store count will come down.
- Moderator:** Ladies and gentlemen, in the interest of the time, that was the last question for today.
- Yashovardhan Sinha:** Thank you to everyone present during this earning call. Thank you so much.
- Moderator:** Thank you, sir. On behalf of IIFL Capital, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.