

Date: 20.11.2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Ref.: Shanti Spintex Limited, Scrip Code: 544059

Dear Sir/Madam,

Sub: Submission of Transcript of H1 FY26 Earnings Conference Call – Shanti Spintex Limited
Ref: Regulation 30 of SEBI (LODR) Regulations, 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Transcript of the Earnings Conference Call held on 17th November 2025 for discussing the financial and operational performance of Shanti Spintex Limited for the Half Year ended 30th September 2025 (H1 FY26).

The said transcript is also being uploaded on the Company's website in compliance with the applicable regulatory provisions.

You are requested to kindly take the above on record.

Thanking you,
Yours faithfully,

For Shanti Spintex Limited

MOHINI

SINGHAL

Mohini Singhal

Company Secretary/Compliance officer

M.No. A-47724

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Shanti Spintex Limited

H1FY'26 Earnings Conference Call

November 17th, 2025



MANAGEMENT: MR. RIKIN AGARWAL - MANAGING DIRECTOR

MODERATOR: MS. GARIMA SINGLA - GO INDIA ADVISORS

Garima Singla:

Good morning, everyone. I'm Garima Singla and it's my pleasure to welcome you on behalf of Shanti Spintex Limited. Thank you for joining us today for first half of financial year 26 earnings conference call. This call is being hosted by Go India Advisors. Please note that today's discussion may include certain forward-looking statements. Therefore, they must be viewed in conjunction with the risks that the company faces. Today on the call, we are joined by Mr. Rikin Agarwal, Managing Director of Shanti Spintex. I now invite Rikin sir to present the company's business outlook and performance, after which we will open the floor for Q&A. Thank you and over to you, sir.

Rikin Agarwal:

Thank you, Garima. Good afternoon, everyone. It's my pleasure to welcome you to Shanti Spintex H1 FY26 earnings call. Your continued engagement and trust form the foundation of our long-term strategy. Every interaction with you reinforces our commitment to building a company that is resilient, future-ready, and consistently value-accretive across cycles. H1FY26 has been a defining period for Shanti Spintex, not only because of the performance we delivered, but because of the strategic clarity with which the organization executed. Years of preparation, capability building, and process discipline have begun to converge, making the start of a more confident and structured phase in our journey.

At the beginning of this year, we identified four priorities that would guide our trajectory, strengthening the core, improving customer mix, deepening relationships, and laying groundwork for integration led transformation. The first half reflects meaningful progress across each of these areas. We closed the period with 382 crores of Revenue, our highest ever half yearly performance. This growth was supported by our healthier products mix, improved realization and stronger wallet share from key customers. The consistency in demand underscores deeper customers stickiness and growing confidence in our quality, reliability and responsiveness. The capacity utilization was 89.9%, the highest in our history, reflecting at maturing operating engine and more consistent execution across our 19.2-million-meter platform. EBITDA of H1-FY26 stood at 10 crores with a margin of 2.6%. Subsequently, however, margins expanded by 32 basis points, an early sign of recovery as integration benefits began to take shape.

At bottom line, PAT came in at 7 crores, marking 7.3% year-on-year growth, reflecting operational stability and more efficient cost structure. During the half, we also strengthened liquidity through improving working capital efficiency, reducing working capital days from 19 in FY25 to 15 days in FY26. With continued cash generation, we further reduced leverage, bringing net debt equity down to 0.11x, reinforcing our financial resilience ahead of upcoming capex. As we look ahead, our strategy is guiding by a long-term structural view of textile value chain.

We are progressing on a well-defined roadmap centered on integration and cost optimization. Our forward integration through the finishing unit is progressing well, supported by upcoming Teesta Spintex acquisition. We have already sold initial volumes of dyed fabric from their operations, validating product acceptance and our integration thesis. Parallely, our backward integration into dyeing is expected to deliver structural cost, advantages, improve consistency, stabilise lead time, and meaningfully expand margins.

From FY27 onwards, completing this, our renewable energy investment aims to reduce power cost, volatility, and strengthen our sustainability position in line with increasing customer preference for green and traceable sourcing. Collectively, these initiatives place us firmly on track to improve EBITDA margins from the current 3% to 7% to 8% by FY28, driven by integration, efficiency, and scale. As we look beyond H1, we see an organisation that is more integrated, more predictable, and aligned with evolving buyer expectation. With a strong balance sheet, disciplined operations, and a clear strategic roadmap, we remain confident in navigating the next phase of our growth, responsibly and sustainably.

With that, I conclude my remarks. Thank you for your trust, your partnership, and your continued belief in Shanti Spintex's long-term journey. We are now pleased to take your questions.

- Garima Singla:** Thank you, sir. I now request everyone to kindly raise your hands in case of any questions.
- Saket Kapoor:** Sir, what you were saying about integration, if you could describe it a little bit more, going ahead, how will this be margin accretive? And since we are running at 89%, so in H2 also, do we have any idea of volume addition?
- Rikin Agarwal:** The capacity expansion we are planning, we are planning a dying unit. So, for that we are outsourcing so basically if I will elongate the business there are three stages the first is dying stage then weaving and then comes the processing. On 9th May, we acquired a company, Teesta Spintex. So, in that forward integration of finishing was there, now we are planning for the backward integration so two stages we are having now in house weaving and finishing. The third is a dying unit which we are planning to start work in next three to four months. So that will be an integration for the next capex will be around 55 crores. And by doing that, we expect 12 crores of PAT margin to add up in our bottom line.
- Saket Kapoor:** How long have you told the timeline to get the backward integration done?
- Rikin Agarwal:** Backward integration we are expecting to commercialise by December'26 or January'27.
- Saket Kapoor:** For that we will be spending 55 crores? But it will be only a totally a margin accretive one. There will be no increase in volume or turnover. Only the bottom line will grow?
- Rikin Agarwal:** So, at present we have achieved 90% capacity utilization, right. So, in our earlier also we have given guidance that the revenue wise growth will be around 7 to 8% of growth in revenue. So, but now we have because of this integration, if you see our margins are little lesser comparing So, once integration is done, we are more focused on increasing our margins.
- Saket Kapoor:** Sir, if you could explain to us, how is the market now? What is our USP as a company? How differently are we positioned? What are we doing differently in this space? Because this space, whatever little understanding I have, is a very crowded space. But if you could explain how, you see Shanti Denim as a differentiating company in this space?

- Rikin Agarwal:** So, Saket Ji, the market, if you see, apart from the export market, the domestic market is very good. In India, if you see, there is a good consumption of denim. If you see a lot of young population, even the older generation is now converting and comfortable wearing denim. So, the market is growing in India itself. Mainly we are focused in our domestic markets from beginning. So, we have never focused on export markets. So, the export scenario of US tariffs is not much impacted on the company.
- And for Shanti Spintex, however, we are different. So, we are having a wider width loom. So, we can give fabric width up to 82 inches also. So that is one of the biggest USP which we are having. Also, our machines are Dobby machines. So that is a good thing. Also, we are able to offer good prices to our customer because our 65% power is from the renewable. If you see we are not having any debt in the company so our finance cost is not there. So, because of this we are able to offer our customer good pricing also and we are competitive in our markets. So, this is the major USP which we are having.
- Saket Kapoor:** It is a totally B2B segment where we are operating?
- Rikin Agarwal:** Yes, we are operating B2B at present because we want volumes order from our customers. So, we are not focused mainly on the retailers or the garment manufacturers directly. So, we are doing our sales through dealers only.
- Saket Kapoor:** Inside our top 10 customers, what is our concentration?
- Rikin Agarwal:** So, top 10 customers consist of almost 99% of these sales.
- Saket Kapoor:** And sir, would you like to mention any of the top 10 customers?
- Rikin Agarwal:** So, these are the dealers and distributors locally in Ahmedabad. So, we are doing business with them only.
- Saket Kapoor:** And sir, for investors education and getting more about the company, can a visit or getting some understanding on ground can be arranged?
- Rikin Agarwal:** Yeah, definitely. If we can plan a plant visit or definitely a corporate office visit is also most welcome and plant visit can be also done.
- Saket Kapoor:** I'll go through Go India Advisors (IR) route then. I'll join the queue for follow up questions. Thank you, sir.
- Garima Singla:** Thank you, sir. The next question we have from the line of Mr. Ankur Gulati. You can go ahead with your question, sir.
- Ankur Gulati:** Sir, quick question. Revenue was 8% and margin was a little contracted this time. Has the pricing changed per unit? Or has the volume changed? What are the drivers? Volume or pricing?
- Rikin Agarwal:** Sir, if you see the pricing, the margins might have been impacted a little bit because we are still very strict on our payments and working capital cycles. So, we are not willing to hold these

stocks or increase our debtors in the market. So, pricing, little bit we have compromised in that pricing. Not much, but a little bit portion we have compromised.

Ankur Gulati: Revenue growth is mostly due to volume growth?

Rikin Agarwal: So, the volume has increased a little. Secondly, our consolidated 382 crores revenue has Teesta Spintex's revenue included. We have increased our business in it from outside as well.

Ankur Gulati: Next question is, you have a 90% utilization. So, from here, till the time you don't have backward integration, do you have any lever for margin expansion? Will the margin expand from acquisition?

Rikin Agarwal: So last year if you see our PAT was 10 crores in H1 this year we have achieved 7 crores of PAT and in the next H2 also, we are expecting a PAT of around 7 crores and above so if you compare from last year March 25 so 4 crores of PAT, we are expecting to increase because of the acquisition done from this forward integration.

Ankur Gulati: Your working capital days have reduced. From this point onwards, should we work with the same working capital days as for this?

Rikin Agarwal: At present, I think this is the best working capital days we are managing. Going low below this, I think it's not very much practically possible now. So, this working capital days I think we can expect to be, we can make a standard to maintain this cycle now.

Ankur Gulati: And on Teesta's margin, are these margins sustainable or do you have any outlook?

Rikin Agarwal: Teesta margins is a sustainable thing, because most of the sales is from job work. Because ultimately, we were getting it outsourced so most of the sales is from job-work and little bit of sale is coming from fabric sales also, in that we have purchased some grey fabric from market and sold it back into market, finished fabric.

Ankur Gulati: How much is the capacity utilization of Teesta?

Rikin Agarwal: I think I don't have the numbers in hand, but I think I can get back to you with the Teesta capacity utilization.

Ankur Gulati: That's OK, I'll follow up with you.

Garima Singla: Thank you, sir. We have the next question from Natasha Singh.

Natasha Singh: So, I just wanted to know what percentage of H2 demand outlook is driven by replenishment cycle and consumption led volume growth?

Rikin Agarwal: In terms of revenue, we expect around 350 crores of revenue from H2 also. 350 plus only. So, this run rate I think will be maintained. The consolidated 382 numbers will be maintained, I think. So, we don't see any dip in the revenues.

- Natasha Singh:** Got it. So, forward integration has delivered margin benefits or can you just give a brief on that point or uplifting term on the basis point?
- Rikin Agarwal:** So, basically because of this forward integration so in two things we are able to benefit so one is the stock so the timeline which we were sending goods outside to get finishing done so that has been reduced so we have to maintain lesser stock by that also the margins are increased because if you see the PAT margin which is coming it's from the Teesta itself, the consolidated from the forward integration. So definitely if you see PAT margins will increase from this forward integration also.
- Natasha Singh:** Okay, Sir I got your point. So just one more thing at 90% of utilization, how do you manage peak season demand volatility without losing customer or wallet share?
- Rikin Agarwal:** So, we are in the market like we are not in the make to order. We produce our fabrics on our own research and on our own site. So, we manufacture and we sell the product. So, we don't take, we don't keep the orders and sell according to the customer. So, we are making our own products and then we are marketing that fabric in the market through our dealers.
- Natasha Singh:** What is the basic average inventory days you all are having?
- Rikin Agarwal:** The inventory days is around 15 days or so.
- Natasha Singh:** Okay, got it. Thank you so much for that. Thank you.
- Garima Singla:** Thank you. We have the next question from the line of Mr. Mukesh Panjwani.
- Mukesh Panjwani:** Sir, right now we are focusing a lot on backward integration, forward integration and green energy that is improving your bottom line. So, how much time will it take and how much improvement can be achieved? Right now, our net profit margin is 1.8%. And I think in H2, it will be almost the same. So where should we see this margin in your green initiative and backward integration?
- Rikin Agarwal:** So, down the line what we see is like this year we are targeting 14 crores of PAT and plus above and next year we are targeting around 18 crores of PAT because in last quarter we can get margin from our dying unit also. And for FY28 we see to grow it from here around 30 crores also.
- Mukesh Panjwani:** 30 crores. And after that our focus will be on capacity expansion?
- Rikin Agarwal:** Capacity expansion and also green energy we are planning because somewhat of 7 to 8 crores another investment we can do in green energy. From there also we can have a saving of around 2 crores or something.
- Mukesh Panjwani:** Our goal is to reach 30 crores by FY28?
- Rikin Agarwal:** Absolutely.
- Mukesh Pannjwani:** Thank you, sir. That's all from my side.

- Garima Singla:** Thank you, sir. We have the next question from the line of Mr. Amit Agicha. You may unmute your line, sir.
- Amit Agicha:** Congratulations for good set of numbers. My question was connected to green power only actually. Green power currently covers 65% of the energy use. By when will the company reach 80 or 90% renewable energy usage? And like you already touched upon this, you said I think so, 2 crore is the savings that you are doing from the 65% coverage
- Rikin Agarwal:** Yeah, so from 65, it's around 2.65 is the saving. 2.6, 2.7 Cr. So, the next which we planned or we plan is after the dying expansion is done. So maybe around in the first quarter of FY27 somewhere we can plan to do additional capex for this green initiative.
- Amit Agicha:** So, what will be the Capex for that?
- Rikin Agarwal:** For that capex will be around 8 to 9 crores.
- Amit Agicha:** And that will make us reach to 90% and that will increase our savings from 2.65 crore to how much sir?
- Rikin Agarwal:** Around 4.5 - 4.65 crore.
- Amit Agicha:** Is the company exploring non-denim technical textiles or higher margin fashion fabrics.
- Rikin Agarwal:** So we are at present, we are mainly focused on denim also. But these machines are commonly used. Most of the machines are commonly used in making other non-denim fabrics also. So, if there is an opportunity or if we see some challenge in executing orders in denim, then we'll think of diversifying. At present, we don't have any plans to go there.
- Amit Agicha:** And the last question is, any plans to launch your own brand or engage in B2C or channels like in future?
- Rikin Agarwal:** No, sir. We don't have any plans for going B2C. So, we will be mostly manufacturing B2B business model.
- Amit Agicha:** Thank you, sir. I appreciate answering my questions and all the best for the future. Thank you, sir.
- Garima Singla:** We have the next question from the line of Mr. Athar Syed. You may go ahead with your questions.
- Athar Syed:** So, I have multiple questions like my first question is, are you participating in any PLI scheme?
- Rikin Agarwal:** No, Athar Ji, we are not into any PLI scheme. There is no PLI available also for cotton fabrics in textile.
- Athar Syed:** And are you getting any benefit from Gujarat state incentive kind of a thing?

- Rikin Agarwal:** So earlier we were getting the benefits at present we are not getting any benefits from Gujarat because in 2016 and 18 we have established a plan. So those benefits were for 5 years. In the new unit yes, we will be getting. For Teesta Spintex, we will get some benefits from Gujarat government.
- Athar Syed:** Our gross margin dropped from 6% to 5.3%. How has your competitive position on the cost curve shifted in H1.
- Rikin Agarwal:** So, the gross margins which are impacted is because of little bit pricing. If you see there is not much impact on the price but little bit impact on pricing as we have compromised on pricing a little to maintain the working capital cycle.
- Athar Syed:** And like, how are our competitors in Ahmedabad, Surat, responding to rising demand for value-added SKUs?
- Rikin Agarwal:** So, if you see there are manufacturers in Ahmedabad and Surat as well. So, most of the denim is made here and some in Bhilwara. So, these are the major regions where denim is manufactured. So, if you see some of the units are doing an expansion or maybe upgrading their technology but not much of them are doing.
- Athar Syed:** Do we have any competitive advantage compared to our competitors like any edge which we have?
- Rikin Agarwal:** So, the edge which we have, we are very much low on our costings. So, this is the major advantage. If you see, we don't have any bank debt available. Power is renewable. So, our power cost is very less. So, these are the advantages. Plus, the technology, this Japanese loom we are having, it's of wider width. So, maximum units in denim in Ahmedabad so, they are having loom size of 210. So, in 230 you can say there is 30% or 35% of the companies are having this width of looms. So, this is also another advantage.
- Athar Syed:** Okay sir. Thank you.
- Garima Singla:** Thank you, sir. We have the next question from Mr. Prashant Sharma. You may unmute your lines sir.
- Prashant Sharm:** In the last meeting, you said that price hike will be undertaken in H1 FY26, but as you clearly mentioned that it has not been undertaken so far. So, sir, when are you planning these price hikes? It will happen in H2 FY26 or later on?
- Rikin Agarwal:** H2 we don't see any price hike because there is little bit of competition because of this global reasons also like US Tariff so there is somewhat pressure in domestic market also however, we have able to maintain our sales so there is no drop in that so price hike once this tariff thing is more clear so we can think of after that but before that price hike is seems to be little difficult. Also, there is a new season of cotton also coming in so H2 we don't see a price hike.
- Prashant Sharma:** My next question is, sir, in other income there is a 2.07 crore of income and we can observe that 45 lakhs of interest income is coming from the interest on deposit, right? And so, and further,

something is shown in the textile segment that there is also an income. So, sir, could you explain the remaining amounts sources?

Rikin Agarwal: So, other income is from the investment in bonds so interest has been received from investment in bonds and this we are able to do because there is a reduction in the WC cycle so this we have invested in bond market and some investment was done in AIF so some income has been received from there.

Prashant Sharma: Ok sir, so some income belongs to investment in bonds and some from the AIF. The entire 2.07 crores, right? So, could you explain what, I mean, was there any capital appreciation or what sort of investment you have done in AIF? Could you explain that?

Rikin Agarwal: So, AIF, we have just invested. So, basically, further they, that AIF that invests in the equity market. So, we had just invested in the AIF.

Prashant Sharma: Okay.

Garima Singla: Thank you, sir. Please raise your hand in case you have any questions. Sir, there are some questions in the chat box. I'll just read them for you. How has the shift towards wide width fabrics altered the blended realization per meter.

Rikin Agarwal: So, the per meter I think it's difficult to answer that but wider width is the thing because the users they are saving on it so main advantage our customers are getting the those who manufacture garment they are saving on it because their wastages are less so we get priority in selling that fabric so what if a customer has an option to buy a width of 80 inches or 70 inches so they prefer to buy 80 inches of fabric so mainly we get a benefit we get prioritised by our customer.

Garima Singla: Got it, sir. And there's one more question. What share of H1 turnover came from premium SKUs and how does this compare to FY25 levels?

Rikin Agarwal: So, we are on FY25 and FY26. Moreover, our products mix are similar. So, not much changes are there in the product mix.

Garima Singla: I request everyone to kindly raise your hand in case of any questions. Mr. Vaibhav Kapoor, you may unmute your line.

Vaibhav Kapoor: So, my question is in respect to the new finishing unit, I just want to know, you know, what is the profit that you have generated from that unit and what would it be for the next six months? Because you said you acquired it on the 9th of May, right?

Rikin Agarwal: So, from the finishing unit, the profit from Testa Spintex standalone is around, I will give the exact number. 3 crore 37 lakhs is from the acquired unit. And in H2 we see around 4 crores from here. From this Teesta Spintex.

Vaibhav Kapoor: So, in that sense, you're saying that even in the next half, you're saying that this margin contraction that is happening from your existing weaving business, that would continue? Last time you did around 10 crores in weaving. Pure weaving. Yeah. So, if we take this, that means that there is a decline in your weaving net profit. So, you're saying you're projecting 14

crores.

So, there's been almost a 25 or 30% decline in your weaving net profit for this year

Rikin Agarwal: So weaving margins are declined because of the prices I said. So that is completely reflecting in the standalone, right? So, the prices which we have altered something to maintain the working capital cycle. So that is reflecting in the weaving standalone results.

Vaibhav Kapoor: No, I get that. But just correct me if I'm wrong. But see, my very clear rudimentary understanding is that 10 crores was last year's profit. Now, you're saying that 3.37 crores was the profit for this part of the of Teesta Spintex this half and 4 crores you're projecting next half. And 14 crores is the net profit that you're projecting totally. Yes. So basically, you're saying that 6.63 crores approximately would be the current run rate for your weaving business with the 30% decline. So that's a large figure.

Rikin Agarwal: Yes, but it is this difference is showing because if you see in H2 of March 25, so this was the same figures because of the pricing which I am repeating again. So, the prices which we were impacted, so that is showing in this. If you see the figures of FY25, that was around 3.5 crores.

Vaibhav Kapoor: No, I get the price decline part, but see price decline would be a pass through, right? Once the price is declined, like for this six months of the price have declined. Now those decline prices will continue for the next six months. That means that in the next six months, your margins are also getting impacted, which is standalone.

Rikin Agarwal: If you see the standalone margins, so that will be impacted. It will be on the same lines, which were, which is in the H1 on the standalone basis. But because we have done forward integration, so some price benefit also we have passed on to the customers and because of the payment cycle, we are this you are saying, but the consolidated numbers that will be the same because it's the same business, right? The finishing business is also done for this unit only.

Vaibhav Kapoor: Okay, let me put this question a little differently probably then I'll understand what is there in your mind. This 30% decline that you have in your margins or profit for the weaving business, what would you attribute this for the working capital improvement that is happening? And what would you attribute this to the decline in prices which you are not passing on to your customers and absorbing them? Any rudimentary understanding there would be helpful.

Rikin Agarwal: If you see sir, half a percent or something which we are passing on to our customer for maintaining this cycle. Okay, okay. So that margin which you are impacting or comparing that 3 or 4 crores of the hit you are saying that is from this thing. And the finishing unit which is doing the billing, that is to this, so that is on the basis of market price. Till now we were outsourcing the fabric. For example, we were doing it at 7 rupees or 8 rupees or 10 rupees differently, that was job work. So that job work as revenue has been done on the market prices, right? So, in that sense, if you see it, so that profit is seen in Teesta. So, that is the main reason.

Vaibhav Kapoor: The other thing is, in your finishing unit, what is right now the outsource component or what you are doing it for, you know, as a job work for someone else? Is there some percentage there? what would that percentage be? And what would be that in the next half?

Rikin Agarwal: Exact numbers, I don't have, but somewhere around 30% of the sales is from the job work.

Vaibhav Kapoor: This is for these six months, right?

Rikin Agarwal: In the six months, yeah.

Vaibhav Kapoor: And for the going forward, what would that range be? Approximation is fine.

Rikin Agarwal: Sir, I think this will continue around 30-35% will be from the job work.

Vaibhav Kapoor: You are almost fully utilized on this unit? Are you almost totally fully capacity, the capacity utilization almost full?

Rikin Agarwal: Exact numbers I don't have Sir, but somewhere around what I presume it must be around 75% or so. And around 15 to 20% of the capacity, I think there is still spare.

Vaibhav Kapoor: Okay, Got it. And the other thing is, I was hearing your open commentary, opening remarks, your opening commentary, and I missed the five focus points that you were talking about. So if you could just repeat that, it would be helpful.

Rikin Agarwal: So, the focus is there that this, we are going for this forward, backward integration of dying unit also. Okay. Next three, four months, we are already in the planning stage of the dying unit. Right now we are in discussion with architects and machine suppliers also. So in on field we are expecting to start working next 3 to 4 months. This is the thing. Then sir, the second thing was that because of this backward integration we are more competitive and more able to give better timelines to our customers and maintain the better quality also. And this strict working capital also we are focusing to maintain. So, we are not going to leverage this. Okay. So, these are the main things.

Vaibhav Kapoor: So, I'll just repeat it, and you be free to add on. You said backward integration, timeline adherence and quality, working capital cycle and low leverage.

Rikin Agarwal: Yeah, all right.

Vaibhav Kapoor: That would be all from my side. Thank you so much, sir. And best of luck for the future.

Garima Singla: Thank you, sir. So, we have some follow-up questions as well. So, Mr. Saket Kapoor, you can go ahead with your questions.

Saket Kapoor: Sir, only questions pertaining to the EBITDA margin trajectory. So, taking historically the market segment where we operate. Are these margins being only the relevant margins for the business or can we expect with the type of integration which you have just spoken about and the five pillars on which we are working that these margins will improve? And then secondly, if you could just help us with our market share, what is the current market share in the segment? If you can outline and two or three peer comparison would be very helpful.

Rikin Agarwal: So, the margins are definitely that this EBITDA margin we see to improve by the integration we are doing because as I said the revenue part you can just expect 7 to 8 percent of growth but the

main thing will be the increase in the profits by integration. So, the margins percentage if you see this will improve from up to 2 to 3 percent. Up to 2% EBITDA margin will improve.

Saket Kapoor:

And about our current market share and peer comparison?

Rikin Agarwal:

So, the market share - it's I think it's difficult to because many unorganized players are also there in the market. So, but in the market which we are working there our market share would be around 3 to 4%.

Saket Kapoor:

Can you give such the bigger player names who are having commanding lion share or anybody about double digit market share?

Rikin Agarwal:

So, the market share, the big players in this are Arvind Mills. Then if you see Vishal Fabric, Nandan Denim, Jindal Worldwide. So, these are the major listed market shares and you can compare with them.

Saket Kapoor:

So Nandan Denim belong to the same promoter group, sir?

Rikin Agarwal:

No, the promoter is different, but yes, they are my maternal uncle. But the business is completely separate.

Saket Kapoor:

But we are in the same vertical, competing with each other now?

Rikin Agarwal:

Yeah, so there is a competition in the market. So mainly they are into exports and dealing with brands. But yes, somewhat portion is coming from the domestic market also.

Prashant Kale:

Okay, sir. Thank you.

Garima Singla:

Thank you, sir. We have another follow-up question from Mr. Amit Agicha. You may unmute your line, sir.

Amit Agicha:

Yeah, thank you for the follow-up, sir. So, what are the total number of current employees that the company currently have? And what will be the hiring like for the backward and forward integration once that is completed

Rikin Agarwal:

So, the total number is around 105 employees at present we are having. And for the backward integration which we are planning in that around 60 to 70 people will be hired.

Amit Agicha:

and some you also said for forward integration, right?

Rikin Agarwal:

The 105 numbers - this is including of the forward integration of dying unit.

Amit Agicha:

Okay, the 60 to 70s for both.

Rikin Agarwal:

And apart from this, there will be contractual laborers or workers that will be apart from this.

Amit Agicha:

And so, are you facing any skill labor shortages in Gujarat textile belt?

- Rikin Agarwal:** So, if you see around the year, there is not shortage, but in particular months, we face some shortages like at the time of Diwali or at some festive season, there is a little bit of shortage.
- Amit Agicha:** Thank you, sir. All the best for the future.
- Garima Singla:** Thank you, sir. Over to you for your closing remarks.
- Rikin Agarwal:** Thank you so much everyone for joining the earnings call and we are sure that we will be working best and give you the best numbers in H2 also with the same focus.
- Garima Singla:** Thank you, sir. Thank you everyone for joining. Have a good day everyone.