



November 10, 2025

To,

The BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai-400001

Scrip code: 540203

The National Stock Exchange India Limited

Exchange Plaza, Bandra Kurla Complex

Bandra (E), Mumbai-400051

NSE Symbol: SFL

Subject: Transcript of Investors' Conference Call for Quarter and Half-Year ended September 30, 2025 Financial Results.

Dear Sir/Madam,

Please find below the transcript of Investors' conference call organized on November 06, 2025 post declaration of financial results for the quarter and half-year ended on September 30, 2025 for your information and records.

Thanking You,

Yours truly,

For Sheela Foam Limited

(Md. Iquebal Ahmad)

Company Secretary & Compliance Officer

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“Sheela Foam Limited Q2 FY '26 Earnings Conference Call”

November 06, 2025



InCred! Equities



MANAGEMENT: **MR. RAHUL GAUTAM – EXECUTIVE CHAIRMAN AND
MANAGING DIRECTOR, SHEELA FOAM LIMITED
MR. RAKESH CHAHAR – DEPUTY MANAGING DIRECTOR,
SHEELA FOAM LIMITED
MR. AMIT KUMAR GUPTA – GROUP CHIEF FINANCIAL
OFFICER, SHEELA FOAM LIMITED**

MODERATOR: **MR. ROHAN KALLE – INCRED CAPITAL**

Moderator: Ladies and gentlemen, good day, and welcome to Sheela Foam Limited Q2 FY '26 Earnings Conference Call, hosted by InCred Equities Capital.

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 this conference call, please signal an operator by pressing “*,” then “0” on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rohan Kalle. Thank you and over to you, sir.

Rohan Kalle: Thanks, Trisha. On behalf of InCred Equities, I thank you all for joining the Q2 FY '26 earnings Call of Sheela Foam Limited.

From the Management Team, we have with us Mr. Rahul Gautam – Executive Chairman and Managing Director, Mr. Rakesh Chahar – Deputy Managing Director, Mr. Amit Kumar Gupta – Group CFO.

Before I hand over the call to Management, I would just like to draw your attention to the safe harbor statement in the Investor Presentation. Over to you, Rahul sir, for opening remarks, following which we will open the floor for Q&A.

Rahul Gautam: Thank you, Rohan. Good afternoon, ladies, and gentlemen. At the outset, let me thank you for attending this Conference Call to discuss our operational and financial results for Q2 and H1 FY '26. I do hope you have gone through our results and the earnings presentation which have been uploaded on the website.

Firstly, let me update you on the merger of Kurlon with Sheela Foam:

We have received the final merger order from NCLT. The appointed date from which this merger is effective would be 20th October, 2023. Accordingly, the financial statements of the comparative period have been restated. For clarity, Kurlon Enterprises' numbers are now reported under standalone, which were earlier being reported under consolidated numbers.

Consequent to the above merger, many opportunities have opened up which would supplement our growth going forward. It is important to utilize all our experience and capabilities to further harness these opportunities through some reorganizing and restructuring. For this, I have decided to devote more time to the operational aspects of the company, hence would now be functioning as a full-time CMD. Mr. Tushar Gautam is also being elevated to Vice Chairman and Joint MD, while Mr. Rakesh Chahar continues as the Deputy Managing Director. All three would be ably guiding the company's strategy along with its existing responsibilities.

On the performance of the company:

Our business posted robust growth in the quarter and half year ending September 2025. We recorded core EBITDA margins above 10% on a consolidated basis for both the quarters.

Specifically mentioning about the Q2 FY '26 performance, on volume basis, our mattresses business grew by 13% while our foam business registered a growth of 9%. Within the mattress business, while Sleepwell grew by 14%, Kurlon also grew close to it by 13%. We can see that Kurlon is now growing faster than ever before and helping in the overall growth of our mattress business.

For the first half of the year, H1 FY '26 performance:

On a year-on-year basis, mattress volumes grew by 11% while our foam business registered a volume growth of 8%. And again, within the mattress business, Sleepwell grew by 18% while Kurlon volumes grew by 10%. In the foam business, technical foams grew also in volumes by 11% and the comfort foams grew by 8%. Volumes of the e-commerce business also registered a volume growth on a year-on-year basis at 73%, while the lower end of the mattresses which were introduced earlier, Tarang and Aaram, registered a volume growth of 58%.

We also did well on the network and the network expanded during the H1 FY '26 by 420 net new showrooms with another similar number expected to come in the second half of this year. This would total up to 800 by the year end. This would further increase the growth rate of our mattress business. We would concentrate on opening more showrooms of Kurlon brand, especially in the west and northern part of India, to harness the excellent brand loyalty or the brand equity that it commands, while the presence has been lacking. The above clearly shows that our mattress business, the B2C business, is growing much faster than the foam business, which we expect to continue going forward.

The present percentage of the B2C business is 55% and it is above by almost 5% from a previous half year of the last financial year. During the current year in India, we are expected to produce about 80,000 metric tons of foam against 70,000 which was produced in the last year, an increase of almost 15%. We continue to scale up our Dubai operations where we sell both our brands as they enjoy strong resonance in that region. As of now, we have seven outlets, one in each emirate, and this would progressively increase.

Both the subsidiaries of Australia and Spain, the businesses are also returning to their historical profitability and are very close to double digit EBITDA levels. This is in spite of raw materials still being at low levels and this just naturally leads to a lower top line number. We expect this to be persisting for a while, and it is expected that in another two to three months that the raw material prices will start increasing. We expect to see a little more positive movement in the overseas operations as we go along into the next quarter.

From an overall perspective, we are anticipating the growth rate of India business to be much higher compared to the overseas businesses. The current ratio stands at 75% of our total turnover being from India.

We had invested in Furlenco some time back and I am happy to share with you that Furlenco continues to be on a growth trajectory. More than 34,000 net customers were added in the first half of this year, H1 FY '26. Furlenco now also operates in additional cities totaling to 29 in number

across the country. During the first half, H1 FY '26, it has achieved a PAT level of Rs. 9 crores with an exit revenue or a run rate of above Rs. 350 crores per annum.

Furlenco is also raising some equity, a number of Rs. 125 crores, in which we would be contributing about Rs. 30 crores to limit our dilution. This capital, along with internal accruals, will be used solely to buy new assets for renting and would be sufficient to achieve the forecasted or budgeted number of Rs. 500 crores turnover in the coming year, in the next year.

I am also happy to share with you that we continue our focus on ESG within the four selected Sustainable Development Goals, the SDGs.. We have a clear path or a glide path to achieve our targets under these goals by 2030. Let me share some broad glimpses with you.

In 2025, our captive solar energy generation and consumption stood at 25%, which we aim to increase to 37% by the year 2030. Similarly, on waste reduction, which was around 15% in 2025, we not only aim to reduce this to 13%, from 15% by 2030, but also capture the 100% of the waste generated as a value and not as just wasted. Within our social responsibility, Sheela Foam continues to focus on the two pillars of the initiatives, namely emotional wellness, and skill development.

I will now request our Group CFO – Mr. Amit Kumar Gupta, to take you through our financial highlights. Thank you, sir.

Amit Kumar Gupta:

Thank you, sir, for your inputs on our business and strategy.

I will just take through the financial performance for Q2 and H1 of Financial Year 2026, which amply demonstrates our conviction that our growth in double-digit profitability is now sustainable.

On a consolidated basis, we grew by around 5% on a year-on-year basis, from Rs. 1,622 crores to Rs. 1,696 crores. Within this, our mattress registered a value growth of around 11% and foam business has shown a growth of 3% in spite of the lower raw material cost and volume increases between 8% to 10%.

As explained in our last call, TDI prices have been on a continuous decline. It has reduced from Rs. 196 in Q4 last year to around Rs. 172 now. Similarly, polyol has also reduced from around Rs. 117 to around Rs. 107 now.

Our core EBITDA on a Y-o-Y basis grew by around 31%, from Rs. 135 crores to Rs. 177 crores, resulting in a margin expansion by 210 basis points. This is due to incremental sales and various strategy and cost initiatives undertaken by us during the last two years post Kurlon acquisition. Some part of these initiatives are still underway and hopefully will further supplement the bottom line.

We reported a PAT of Rs. 17 crores in first half Financial Year '26. This includes one-time impact of MTM on foreign currency and our financial investments of Rs. 18 crores. So, on a normalized basis, without these one-off, our PAT for the period stands at around Rs. 35 crores.

With this, I will request the moderator to open the floor for questions and answers.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Rachna Kukreja from SIMPL PMS. Please go ahead.

Rachna Kukreja: Thank you for the opportunity. I have two questions. Our mattress business has grown well in both value and volume, but our realizations have stayed flat. Going forward, how do we plan to improve our realizations, even if the online channel may continue to grow faster than the offline channel?

Rahul Gautam: Okay. The second one?

Rachna Kukreja: Second one would be on our debt reduction efforts, which can eventually help us to bring down our interest costs as well. So, currently, where do we stand in terms of our debt reduction? And when can we expect a debt-free balance sheet?

Rahul Gautam: Okay. Amit, can you just take the second question first and then we will take the first one?

Amit Kumar Gupta: I will first give you an idea of what our current debt is. So, we have a net debt of around Rs. 450 odd crores in India and around Rs. 350 odd crores overseas. So, somewhere around Rs. 800 crores is the total net debt that we have. If we look at India, the way that we see for getting to debt-free is another one and a half to say two to three years. This will come out of two sources. Firstly, it will be from the monetization of the assets that we discussed about even the last time. So, Rs. 200 crore monetization was to happen, out of which we have already done Rs. 50 crores and another Rs. 150 crores is yet to happen, should be done in the current year. And the second part of it will come from the cash flow generated by the company. The way the company is moving, we should have around Rs. 100 crores to Rs. 150 crores of cash going forward per annum, which should be sufficient to take care of the debt. So, that answers your second question. First question?

Rahul Gautam: First question, so I will ask Mr. Rakesh Chahar to answer that. And the question, as I understand it is that, there is volume and value growth in the mattress side, however, there is not enough profit.

Amit Kumar Gupta: So, what she is, saying is that the ASP is coming down. So, in spite of higher growth in online and the STI segment- essential segment, how do we plan to increase or retain the decline in the ASP?

Rakesh Chahar: Okay. So, you are right in your observation. So, far we have been able to maintain the ASP, which you have termed it as flat. And the reason for that is our initiatives to premiumize at our own showrooms, both in Sleepwell and Kurlon. So, there is a program which is going with the outlets, enabling them to sell a higher-end mattress. That is one.

Second, expansion. We are very aggressive on the expansion plan this year. Like Rahul sir said, we have already opened net 420 new showrooms. The showroom ASP is much higher than the rest of the network. So, this additional number will help us not only to maintain, but also marginally increase the ASP going forward.

Rahul Gautam: Okay. And I may also add that on the e-commerce side we are increasing the sales through the brand.com, where it would be helpful in increasing or improving the margins as well as ASPs.

Amit Kumar Gupta: I hope that answers the question.

Rachna Kukreja: Yes, thank you.

Moderator: Thank you. The next question is from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah: Hi, sir. Thanks for the opportunity. A couple of questions. First is a generic one. A good part of our competition is looking to raise money to the equity markets. So, the balance sheet will be pretty much pump-primed, incrementally for the next 12 months, 24 months. To tackle this competitive intensity, how are we looking to up the ante? You indicated on the distribution, but is there something on ASP or something on CAC that we are looking to increase to ensure that there's no market share loss? Or actually we can make good on market share despite the competition having more comfort on cash flows?

Rahul Gautam: Ritesh, you want to complete the questions or you want me to respond to that?

Rakesh Chahar: Okay. Sir, I have like four or five questions. I will just finish one by one. So, one is competitive intensity. Second is the synergy, sir. Last call we had indicated total synergy quantum of Rs. 250 crores, I think, of which we had indicated Rs. 190 crores was realized in Q1 FY '26. So, just wanted to understand how should we read sustainability of this Rs. 190 crores and the balance Rs. 60 crores?

Because when we strip out the numbers, say, from standalone, we take out one-offs or from consol we deduce overseas assets as well as Staquo, the EBITDA margin expansion that we see is not very meaningful. So, just trying to understand how should we read into the synergy quantum? That's the second question.

The third question is, when we look at it on a pricing on a per unit basis, for mattress, the decline is 1% on a year-on-year basis. This is significantly less as compared to comfort foam and technical foam, which is 6% and 5%. So, how should we understand this? Is the mix improving? That's the reason the decline in mattress pricing is lower as compared to the other categories? That's the third question.

Sir, I have two more, probably after these three I will join back the queue and have a few more questions.

Rahul Gautam: So, first is the generic question that you said competition is increasing and what are we doing to combat that or to at least ensure that our share is retained. So, whatever is our standard processes, they are in place, but the special focus this year is on the store expansion. And as mentioned, we have already opened about 420, which is ahead of the budgeted number for the H1 side. And in the entire year, this will be 800 across the country which is a sizable number. And that would help in not only ensuring that we maintain our market share, but actually improving on that, because there's also a push within the company where the needle is shifting more towards the mattress side and the proportion of that or the ratio of that is increasing. Besides that, there is a healthy advertisement, promotion, reach, distribution, all that is happening.

I may add to this to say that there is a sizable unorganized sector existing in this segment and most of the new people who are coming in or most of the people with the new money that they are coming in; it is that market, the unorganized one, which will get impacted and that is where it will shift to these people. But having said that, whatever we need to do, we will continue to do that. I would just talk about the pricing part. And the synergy, I will leave to Amit to respond.

Pricing part, you are saying that mattresses is a 1% change and on the technical foam and on the others there is a higher change. But that is primarily because the technical foams and the comfort foams are based on the raw material prices, and the raw material prices have been ruling at their lowest levels than ever before. And that's the impact that those things are completely dependent on raw material prices. I will give it to Amit to answer on the synergy part.

Amit Kumar Gupta:

Hi, Ritesh. Yes, you are right, we committed a synergy benefit of around Rs. 250 crores, out of which we had achieved Rs. 190 crores by the end of the 1st Quarter itself, which we discussed last time. The incremental synergies of around Rs. 60 odd crores is proposed to come through the new technology that you mentioned, the early technology and the malleable fiber technology we discussed. The machines are on their way, should be installed by the end of the 3rd Quarter and the results would be visible in the 4th Quarter. So, Rs. 10 crores plus/minus here and there should be there, but most of these synergies will be visible to you in the 4th Quarter of the current financial year.

Now on these all synergies, the sustainability of these synergies. So, what we see if we look at our margins or profitability, we have been almost at the same level for the last two, three quarters which indicates that whatever benefits had accrued to the P&L, they have been sustained. In this period, we had also adjusted ourselves to various competitive pressures from different sides, introduced new products which were both in low range as well as high range because of which we could have suffered a 1% or 2% in terms of our gross margins. But because of the continuous flowing in synergies, we could retain that.

So, I will just repeat what I said last year that out of this Rs. 190 crores, around 2% to 2.5% to 3% have flown to the bottom line and the rest of it has been consumed for improving the robustness of the business. So, if you see for last three, four years, our top line was almost flat, we had not grown. But in this year, we have started seeing the offshoots and we are growing between 5% to 7%. Intent is to grow by 15% and we would definitely, in a very short period of time, reach to that level.

But yes, to reverse the trajectory and to start growing in the business, there were certain investments which had to be done. And we have utilized a bigger portion of our synergies in doing that, propelling the business through that. So, part of the synergy is visible in the profitability because last year we did less than 8%, this time we are at (+10%). And a part of it has been consumed in increasing the competitiveness of the business and thereby improving the top line and the volumes of the business.

Ritesh Shah:

Amit sir, I have a follow-up. So, if you look at the EBITDA margins for the India business, the increase that we can see on a quarter-on-quarter basis is probably 1 bp. But if you look at it even

on a year-on-year basis, the number is only 66 bps. So, the question what I am asking is that Rs. 190 crores that we had indicated in Q1, is that already there? And if it is there, then why is that not showing up in margins? The reason to ask this again is given raw material prices have gone down, gross margins have actually fared better on a year-on-year basis, despite that we do not see that EBITDA margin expansion on a year-on-year basis. So, the question I am trying to ask is, the sustainability of that synergy gains, it has to be there somewhere between gross and EBITDA. Why is it not visible?

Amit Kumar Gupta: So, Ritesh, you are referring to 1st Quarter or the first half?

Ritesh Shah: Sir, I am looking on year-on-year for Q2 to Q2.

Amit Kumar Gupta: Q2 to Q2. So, last year Q2 we were at around 8% odd EBITDA margins, right?

Ritesh Shah: Yes, sir.

Amit Kumar Gupta: And today, if I take out the onetime foreign exchange loss that is there of Rs. 4 crores, I am at 10% plus. So, I didn't get that 65 basis points, which you were mentioning.

Ritesh Shah: Sir, probably I will give you a call post this. So, as per our numbers, it's moving from 8.8% to 9.5%, so that was one. Sir, I had a follow-up question for Rahul ji. Sir, you indicated on the store expansion, sir how much is the CAPEX with respect to this? So, that is one. Second is A&P, any particular number that you would like to cite? How much was it for last year's full year and how much do we target for this particular year? And third is on the distribution side. I think when we go through the presentation, Q1 presentation indicated 6,000 EBOs. In Q2 presentation, that number has been indicated at 5,300, so it's lower by 700 despite us adding 420 stores. So, just wanted to understand, sir, how should we look at the number of stores?

Rahul Gautam: Okay. So, I think, Rakesh, could you answer on the CAPEX side per store and on the number?

Rakesh Chahar: So, the CAPEX on store typically is put by both the retail partner and us. Our portion would be close to about Rs. 6 lakhs per store on average. And as far as the numbers are concerned, I mean what was quoted, so we have also done some reclassification. So, it could be a function of that. Otherwise, the network has expanded by 420. So, I will just look at this number of Q1 as to why this change has happened, so I will just get back to you on this.

Ritesh Shah: Sure, sir. Sir, on A&P? Amit ji, A&P or advertisement and promotion plus sales and marketing, the total number last year as a percentage of sales and if you have anything for this year?

Amit Kumar Gupta: Ritesh, could you repeat your question on A&P, I did not get that?

Ritesh Shah: Sir, A&P. So, Rahul ji indicated to combat competitive intensity, we will also look to increase our A&P spends. So, just trying to get a grip on that number, where are we looking at that number for this particular fiscal?

- Amit Kumar Gupta:** So, Ritesh, last year we did around Rs. 125 crores to Rs. 130 crores at a group level on advertising and promotion, and this excludes any incentives that are given to the channel. Those are categorized as sales expenses, and they generally are as a percentage of sales. This year we are looking at around Rs. 25 odd crores higher expenses and I am referring to full year, they are again distributed depending on what season is.
- One critical aspect that we have done this year is, in A&P because now we are not only in the Hindi belt, we are across the country, so you need advertising very much tailored to the needs or requirements of particular regions. And since one is across the country available, so this time we are focusing more on local and regional advertising using digital media and things like that so that you can reach to the bases and the masses where actually your buyer lies. So, though you may see a little bit of lesser television advertising, but if you go to the different regions across the country, you would find that we would be present in the local media and in the digital channels for advertising, and most of this money is going towards that.
- Ritesh Shah:** Sure. Thank you so much for the answers. Sir, I will join back the queue, I have a few more questions. Thank you.
- Moderator:** Thank you. The next question is from the line of Raghav Maheswari from KamayaKya Wealth Management. Please go ahead.
- Raghav Maheswari:** Thank you for the opportunity. So, I just wanted to get a clarification on the store expansion. We are talking about this number in exclusive stores where we just sell our own brand, it's not like a dealership of multiple brands, right?
- Rahul Gautam:** Yes, that is correct, this is on the exclusive side.
- Raghav Maheswari:** Okay. And sir, one other thing is, we have seen good volume growth in Q1 and in Q2 as well. But I just wanted to understand that the contribution from that volume growth to the revenue adding to the top line is a bit on the lesser side. So, if you can give a guidance on this, where are we seeing this stabilizing? And also at the PAT level, where are we seeing the margin stabilizing?
- Amit Kumar Gupta:** So, if you see volume and value growth are almost similar in case of mattresses because the price of mattress does not depend upon the input cost raw material. So, we change our mattress prices twice a year and since the component of foam in the entire mattress or as a percentage of sales is a much lower amount, we can do with that. So, you see almost equal growth in value and volumes. Whereas in case of foam, it's a competitive market. At some places, it is pure, pure commodity. At some places like furniture cushioning and technical foam, these are specialized foams which we produce and sell.
- So, at some places, we are able to gather larger margins and basically detach it from the price of raw materials. But at most of the places whenever there is a movement in the raw material prices, we have to pass it on or take it depending on which direction the raw material is moving. This is a general phenomenon in the industry and this to a large extent does not affect our profitability

though it affects our top line. So, we are more or less fine with that. As far as stabilizing is concerned so if you see our total top line has grown by around 5% to 6%.

However, the top line growth that we had been discussing and to which we still stick and are intending to reach to that level is between 12% to 15% top line growth. And commensurately, you can see similar levels of profitability margins also. Once growth rates are achieved, you should be able to see those profitability levels in the bottom line.

Raghav Maheswari: Profitability level as a percentage?

Amit Kumar Gupta: So, we had already guided it would be somewhere between starting from 12%, 12.5% in the next year and then if you grow by 15%, you should be reaching around 14% to 15% in the next to next year.

Raghav Maheswari: Understood, sir. And sir, last thing, during our last interaction at the earnings call, we were discussing about Furlenco using mattresses produced by Sheela Foam. So, I was supposed to get an update on that. So, if you can provide an update on that?

Rahul Gautam: So, Furlenco is already using our mattresses for their rental business.

Amit Kumar Gupta: So, all the foam or foam-related products which Furlenco is using is supplied by Sheela Foam. So, whether they make furniture like sofas, chairs, et cetera, the foam used in that is from Sheela Foam, 90%, 95%. And all the mattresses that they are using to be rented are supplied by Sheela Foam. So, maybe you can let me know what specifically in addition to this you are looking and I can answer that.

Raghav Maheswari: Okay, sir. Thank you. That's all from my side, sir.

Moderator: Thank you. The next question is from the line of Krushi Parekh from BugleRock PMS. Please go ahead.

Krushii Parekh: So, my first question is that we have been increasing our EBO network. And I just want to understand that as per your assessment internally, what is the peak level of EBOs that we would like to reach not immediately, but over a long period of time? And how do you consider it internally that where are EBOs needs to be present in terms of the cities and towns? So, basically how internally are you guys looking to plan it out and expand the EBO network over a five to 10 year time horizon?

Rahul Gautam: Five to 10 years. Let's take a five year horizon and see where the number would be. So, we would like to be at 10,000, which will be a combination of different formats of EBO. So, EBO is a large format, there is a midsized format and then there is a category exclusivity. So, we want to take this number to 10,000 in next three to four years.

Krushii Parekh: Okay. And within the major cities where, say, the likes of the organized retailers is increasing. So, how is it that we are positioning our EBOs versus those where the likes of IKEA or some of the

newer prefunded players are coming in? So, are there any strategic changes that we are looking to have to face this competition within the metro cities at least?

Rahul Gautam: So, see it like this, there are mattress stores which are operating for a long time. They have their own brand equity. These are the ones which get converted to a FOFO model of ours either in Sleepwell or in Kurlon brand. So, that is one part. There is already an ongoing business which is happening so that gets upgraded to a showroom format or to an EBO format. So, that's one thing. On the other side, we also have 25 COCO stores which are operating.

So, recently, we have also rejuvenated or restarted them and presenting them in a -- it takes both Kurlon and Sleepwell brand and also some Home Comfort products. So, the results so far have been very encouraging. So, we intend increasing that format too. I mean we have a plan for expansion on that so which will be a notch above the current furniture franchisee owned showrooms. If we go, the larger portion will still be FOCO. But there is also a journey on the COCO side, which we will be presenting as a home improvement kind of environment in the store.

Krushik Parekh: Okay. So, this COCO model that you are discussing, are there any stores that are already up and running or it's still in the pipeline?

Rahul Gautam: No, they are already running. There are about 24 stores, they are running and we can also share some of them with you. You can even also visit them. So, they are already running.

Krushik Parekh: Okay. So, these are the Sleepwell branded stores where the entire furnishing experience is what you guys are looking to have?

Rahul Gautam: No, this is a new format. We call them as Home Comfort stores. So, they house both Sleepwell, Kurlon and other products together. So, basically the positioning is to attract customers looking for home improvement items; soft furnishing, mattresses, and things like that.

Krushik Parekh: Understand. So, when you say other products, this would include products from Furlenco or something else altogether that you have?

Rahul Gautam: Also a corner of Furlenco, but it also have all the top of bed items, which is the mattress stoppers, protectors, the bed sheets, comforter, duvets. So, what you typically need for doing up your house so furnishing part of it.

Krushik Parekh: Okay. But under our two brands itself, no other brands, or new brands that you guys are introducing.

Rahul Gautam: It is an evolving format.

Krushik Parekh: Okay. Understand. And when it comes to Tarang and Aaram, it's a different channel altogether. And I believe considering the ticket size, I am not sure about exactly how the margin profile over there is. But when you look at the project and when you have taken up the initiative so from here onwards, if the margins were to expand in this particular initiative, so which component of the

overall cost structure will be leveraged over here? Is it on the production side or somewhere else from where the margin improvement on this particular initiative will come in?

Amit Kumar Gupta: So, if you see currently, mattresses enjoy the highest level of gross margin or profitability for us, right? And as Rahul ji said, mattress as a percentage of our total business will continue increasing. So, that is one part of it. The second part of it is the growth that is anticipated. So, generally your cost structure goes up by, say, around 5%, 6% due to inflation and if you are able to grow at 10% plus, the remaining should flow to the bottom line. The third portion is the new products and the new things that we are getting into, whether it be new stores coming up, whether it be we penetrating more with the small town initiative or whether it be we are penetrating more with the FOCO stores in the urban areas.

All these initiatives are the ones where gross margins or the profitability is higher. So, I would say that there are multiple initiatives which should propel the improvement in the margins going forward. And if you try to see the margin profile, the gross margins would be increasing, say, somewhere from 44% currently to around 46% odd, primarily from cost savings that are yet to come. But the profitability at the EBITDA level would primarily increase from increase in the scale of the business, which means that once the growth above 10% comes in, you will see that flowing to the bottom line.

Krushji Parekh: Okay. Thank you. I will get back in the queue.

Moderator: The next question is from the line of Deepali Kumari from Arihant Capital Markets Limited.

Deepali Kumari: Thank you for the opportunity. I just have few questions. Like what is the revenue contribution of Kurlon in H1 FY '26? And like what is the guidance for upcoming year? And on the e-commerce side, what is the revenue contribution and what is the margin there in e-commerce?

Amit Kumar Gupta: So, Deepali, thanks for your questions. But apologies, we do not disclose Kurlon and Sleepwell profitability separately. We also do not declare profitability at a vertical level. The only thing that I can say is that Sleepwell and Kurlon are growing at the same level. So, whatever their initial revenues were, they are growing in the same proportion as the overall company growth or the mattress growth that we have given.

We have given you volume growth in Kurlon separately and value growth should be similar. So, that should give you some idea. In the e-commerce segment, yes, that we can disclose, we had done. We last year did around Rs. 173 crores in the e-commerce segment and this year we should do somewhere between Rs. 200 crores to Rs. 275 crores on the e-commerce. Profitability portfolio, again we do not disclose separately because we look at mattress as one single category.

Deepali Kumari: Sir, you mentioned UAE retail expansion with seven showrooms. So, what is the revenue run rate from the UAE if you can give some guidance?

Amit Kumar Gupta: So, we established this business around two years back and we are continuously growing there. I can tell you that UAE business would be somewhere around AED 0.5 million currently per month.

But it is at a very fast growth track since we are able to find out people who are ready to take dealerships of our brand and expand it across the UAE. Going forward, we will be looking for the entire GCC and we are talking or discussing with certain players in those markets who would be willing to partner with us to take it through all the places in the entire GCC.

Deepali Kumari: Got it. And sir, you have mentioned in the last call that you will start furniture business in Australia. Like is that going on? Foam and furniture business you will target next on Australia?

Amit Kumar Gupta: So, not furniture business. What I mentioned was cushioning for furniture. So, currently if you see, we make foam only for mattresses in Australia. But since we do cushioning for furniture and certain technical foam grades; maybe automobiles, lingerie, sound proofing in generators, et cetera. We do all these in India. So, we were working on this, how we can introduce these products in Australia also and increase the base of our business in that country because in foam for mattresses, we are the largest player there and have a 40% market share. So, there is comparatively little scope to grow in that segment. Hence, we were looking out for newer segments over which we have capabilities available in India.

Deepali Kumari: Okay, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Ritesh Shah from Investec. Please go ahead.

Ritesh Shah: Sir, a couple of clarifications. First, sir, you indicated e-com last year was Rs. 173 crores. I think in Q1 FY '26, we had indicated that number at Rs. 200 crores for FY '25. So, just wanted to understand what the number was for FY '25 and first half FY '26.

Amit Kumar Gupta: So, that was the difference between dealer price and our revenue. So, there are differences. So, at dealer price level, that revenue was Rs. 200 crores and the revenue that flows to our book was Rs. 173 crores.

Ritesh Shah: Okay. And sir, this year's target you indicated will be Rs. 200 crores to Rs. 250 crores.

Amit Kumar Gupta: That is in our book. So, if you refer to a dealer price, it should be around Rs. 280 crores to Rs. 290 crores.

Ritesh Shah: Perfect. This is helpful. And sir, how should we gauge the profitability of e-com business given earlier we had decided to get out of it and then we have reentered under the Sleepwell brand. So, how should we look at the underlying economics versus the traditional channel that we have?

Rahul Gautam: So, ever since we have introduced it under brand Sleepwell so one, we have been able to get a better realization on the e-com and also the synergetic effect of the brand equity is also getting more and more conversion for us. So, we are actually looking at getting the rightful share in next three years. So, we are on that track and also focusing more on brand.com, which is already at a good run rate. I mean we have put that focus from this year itself and it is already at a good run rate and we have a plan for next three years that where the brand.com business would be. So, ideally, we would like the ratio between the platform and the brand.com, more and more business shifting to brand.com going forward.

- Ritesh Shah:** Sir, would you like to quantify when we say rightful share in three years, what the number would be on absolute on a percentage basis?
- Rahul Gautam:** So, the market to best of our knowledge is growing by between 15% to 20% as far as the e-com market is concerned. We are growing at a higher rate and fortunately, this is all organized market. So, the organized market, it is right now at about Rs. 2,000 crores. So, we should be at around 30% market share in coming few years.
- Ritesh Shah:** This is helpful, sir. Sir, would it be possible for you to indicate what is the CAC over here and what is the gross margin basically including the overhead and corporate overheads over here? Just trying to get a sense on how profitable it is because earlier we pulled the plug because it was not as profitable as desired. So, any change in thought process or have we reduced our thresholds because we are deciding to grow over here?
- Amit Kumar Gupta:** So, Ritesh, one thing I can tell you when we were doing it with SleepX model, we were losing money in it and that's why we closed down SleepX model and introduced the Sleepwell and the Kurlon models there. The Sleepwell and the Kurlon models are now working well and in the last 2 years, we have grown to more than double the size that we were with SleepX. On the profitability front, I can tell you that gross margins though lower than the offline segment, but there are decent gross margins in this business that we are able to get.
- At the bottom line, yes, when you go to the platforms, they are lesser profitability because there are certain costs associated with these platforms whereas in brand.com or our own website, which Rakesh ji just mentioned, we are able to get profitability which is in line with the offline. Can't disclose too much of profit for full year, but I can tell you that selling of e-commerce would not lead to a material depletion of our profit margins.
- Ritesh Shah:** Okay. But sir, can you broadly indicate what will be percentage point difference between D2C e-com versus the rest?
- Amit Kumar Gupta:** No, we do not indicate profitability comparison.
- Ritesh Shah:** Sure. No worries. Sir, my second question was on Tarang and Aaram. I think in Q1, you had indicated a number of around Rs. 18 crores with a target by end Q4, Rs. 100 crores. Sir, can you help us with those numbers for the quarter and if the targets remain the same for the full year?
- Amit Kumar Gupta:** So, I just didn't get the first part of your question. What are you saying historical figures?
- Ritesh Shah:** Sir, revenue contribution for Tarang and Aaram in Q2 would be how much? I think that number was around Rs. 18 crores in Q1. So, I just wanted to gauge how the trajectory has been?
- Rahul Gautam:** So, I am not sure, but the run rate has definitely gone up. So, Q2, let's say about Rs. 25 crores.
- Amit Kumar Gupta:** So, Ritesh, it should be Rs. 9 crores per month, around say, Rs. 25 crores to Rs. 27 crores.
- Ritesh Shah:** Okay. And any target for the full year?

Amit Kumar Gupta: Yes. We already mentioned that target Rs. 120 crores for the whole year because it is on a continuous ramping phase. So, it was lower in the first one, Rs. 6 crores per month in the 1st Quarter, Rs. 72 crores run rate. Now it is, say, around Rs. 108 crores run rate in the current quarter. And third and 4th Quarter, it would be higher. So, should reach around Rs. 120 crores, Rs. 125 crores for the full year.

Ritesh Shah: Perfect. Sir, I missed out on the Furlenco financials. If you could just highlight it for first half what it was at EBITDA, PBT, PAT level? And how should we look at our economic interest in this particular asset going forward? Like any plans to bump it up? You had earlier indicated that we might look for a IPO at some point in time. How should one look at it from a profitability; secondly, cash flow; and third, from a corporate event standpoint?

Amit Kumar Gupta: So, I will try to answer, Ritesh. Too many questions, maybe I do not remember so let me know whatever I made. So, yes, Furlenco I think has been better than what we had anticipated. It turned PBT positive in February last year, but it continued at the same level potentially because we grew by 40%, 50% in last 1 year and there were customer acquisition costs, which are expensed outside of operating expenses. If you refer to today, this company is making around Rs. 2 crores per month of PBT. PBT and PAT are same for this company. And say, around Rs. 4 crores, Rs. 4.5 crores of depreciation; around Rs. 6 crores, Rs. 6.5 crores worth of cash that it makes every month.

On an annualized basis, maybe Rs. 70 crores, Rs. 75 crores. If you see revenue, we are at a run rate of Rs. 350 crores plus. This year we should be ending on total revenue at Furlenco somewhere between Rs. 300 crores to Rs. 350 crores and next year we intend to go to Rs. 500 crores plus level. What we have been made to understand through the merchant bankers and the people that we have talked on the street that once we cross the Rs. 500 crores turnover level with even a better level of PBT impact, maybe say, around 13%, 14% of PBT; we should be able to take the company to the market. But let's see, Rs. 500 crores to Rs. 700 crores should be the level at which we can go to the market.

Ritesh Shah: Right. And sir, prior to getting to Rs. 500 crores, Rs. 500 crores plus, would we look to increase our stake to help fund that?

Amit Kumar Gupta: So, very fluid, Ritesh. The company is raising Rs. 125 crores currently, in which we are contributing only Rs. 30 crores because we wanted to prevent some level of dilution. But we didn't want to spend the whole money because I think there was a lot of skepticism into we putting all the money into the company. So, we also wanted to establish the valuation by third-party contributors. The company has been able to do it successfully. They have closed that round of issuance.

And for reaching Rs. 500 crores plus, they do not need any further money. What will happen in '27? Would we go to Rs. 700 crores before public issue or would we do a public issue? Then I think whatever money would be needed by the company, most part of it would be internally generated by them. But if some Rs. 50 crores, Rs. 100 crores is needed, it won't be difficult to either raise it from third party or we putting that money.

Ritesh Shah: Sure. This is very helpful. And sir, just last question. Australia EBITDA margins have improved sharply from 2.1% to 9.5%. Was there any one-off last year, which we are not aware of, if you can help us on that, please?

Amit Kumar Gupta: No, there was nothing material one-off, Ritesh. I think 2% was an aberration in one of the quarters last year. If you see for the full quarter, it was between 4% to 5% if I remember correctly. So, let's say, 4% to 5% to 8%, 8.5% it has reached. And the primary reasons are: one, we have further enlarged the scope of its raw material purchases. We buy from China. They used to buy from Europe mainly. So, we have opened up our sources to them, which has led to their raw material procurement at a cheaper price and also there were certain internal restructuring. Since we have opened up the second plant in Adelaide, there were some costs which could be cut in Sydney. So, we are continuously working on it and hopefully, you should be able to see even better results going forward.

Ritesh Shah: Okay. And sir, just last question on debt. You indicated that we will be net debt in three years. Should we look at FY '28 over here?

Amit Kumar Gupta: So, the net debt is a perception, Ritesh. Rs. 100 crores Rs. 150 crores, Rs. 200 crores for a company of Rs. 4,000 crores is not a significant net debt, right? But since the question was when you would turn net cash, then potentially '28 would be the year in which we will turn net cash.

Ritesh Shah: Correct. And sir, this would be after what incremental CAPEX over FY '26, '27, '28 and incremental working capital investment that we are baking in as we say that we will get into net cash in FY '28?

Amit Kumar Gupta: So, working capital, we have done a lot of exercise in the last one year and we have been able to reduce it by Rs. 30 crores, Rs. 40 crores. It of course grew a lot in the last year potentially because of Kurlon acquisition, but we have now streamlined it from those levels. Potentially you will be able to see it in the full year results and the balance sheet on 31st March not on 30th September because it's festive season and so generally the balance sheet is bloated. But I would say that working capital increase, you can take as proportional to the increase in the top line. It should be lesser than that, but for the sake of reasonability, let's take it that it could grow in the same proportion as the top line.

As far as CAPEX is concerned, we have currently sufficient capacities available to us to grow to at least 2x, 2.5x of our current size. And that's why if you see in our balance sheet, depreciation is high, which should be absorbed by a turnover which is maybe 2x of the current turnover to reach a reasonable level. So, we do not need to make any investment to expand our production capacities. Of course some consolidation and some efficiency CAPEX and maintenance CAPEX will be there. And the most important would be the expansion in showroom, which Rakesh ji just mentioned because these showrooms pay back at 18 months.

So, there is no reason why we would not be spending. I think 800 showrooms is an aberration, which we are doing in the current year because Kurlon also came as an opportunity and they had very lesser number of showrooms. So, that gave us an opportunity to open these showrooms, but

next year it should be a little lesser of what we have done this time. So, broadly, broadly, if you ask me, somewhere between Rs. 50 crores to Rs. 75 crores in India and maybe Rs. 20 crores, Rs. 25 crores overseas. And this is a very broad estimate. We have not done that business plan to that level, but Rs. 75 crores to Rs. 100 crores at a group level in '27 and '28.

Ritesh Shah: Very useful sir. Thank you so much. Wish you all the very best. Thank you.

Moderator: Thank you. The next question is from the line of Prakash Sinha from Apex Market Intelligence. Please go ahead.

Prakash Sinha: Thank you very much, team. Congratulations to the management for a good turnaround of Furlenco. So, while I was going through the annual report of Furlenco and on Pages 49 and 50, I found that useful life of fixed assets was not mentioned. So, could you please help me with how much useful life that we have taken for the financial cover as well as I was just comparing of Furlenco year-on-year and it has increased 58%, however, the results show it has decreased by 16.35%. Now, considering the other expense was variable so it was expected to be increased, so what contributed to this decrease?

Amit Kumar Gupta: I did not get your second question, but I will take it from you subsequent to answering your first question on useful life. So, see, Furlenco takes assets for rentals. Once it rents out the asset, the asset comes back after the rental period if the rental lease is not released and when it comes back, it is thoroughly refurbished. So, I think refurbishment is a bigger activity for them than manufacturing. So, what they do is the cloth is not dry, is not showing deterioration, they replace the cloth. If the foam is to be replaced, they replace the foam. If there is a breakage in the wooden part of the furniture, they replace that also.

And all these replacements or refurbishment costs are expensed out in the P&L. They are not capitalized. So, if you see for any practical purposes, the assets which they have should last infinitely because every time they reconstruct the asset, right? And that's why maybe in their annual report, they haven't shown. I haven't seen that annual report, but this is the fact. So, 10 years before, 12 years before when they started the company, the assets which they bought, most of those assets are still with them and they are continuously refurbishing it.

But for accounting purposes, you need to have a useful life because you need to depreciate the assets. So, I think around 8 years is what they have taken as the depreciating life of the asset. But for all practical purposes, this business is a very typical business in its sort that the asset does not get destroyed. It remains with you and the cost that you incur on the maintenance of that asset is expensed out in the P&L. So, as the assets of the company increases, it means that there would be a continuous inflow of revenue.

Potentially of course the demand should be there, but there would be a continuous inflow of revenue even if you do not invest in new assets. Your top line will get saturated, but then revenue would keep on coming. So, that's the typical nature of the assets in this company. I hope I have answered your question on useful life.

- Prakash Sinha:** Yes. It's really helpful. And sir, my second question was for Furlenco, the revenue growth year-on-year between FY '24 and '25 was 58.18%. However, the other expenses has decreased by 16.35%. So, could you please help what is the nature of the expenses?
- Amit Kumar Gupta:** I am not getting your voice on the second question. Probably I am missing it. So, if you can be a little bit clearer, that will help me.
- Prakash Sinha:** Yes. So, I am saying total revenue of Furlenco has increased 58% year-on-year. However, the other expenses has decreased by 16.35%. So, if you could guide us through what is the nature of these other expense because usually it consists of variable, which is expected to increase with the revenue.
- Amit Kumar Gupta:** So, Prakash, I would say that these are Furlenco specific functional questions. We are a shareholder in Furlenco. We do not run Furlenco, right? So, you can ask me questions related to shareholding and what I would be doing for Furlenco, but I won't be able to answer the very specific balance sheet sort of question for Furlenco. This you will have to ask the CFO of Furlenco.
- Prakash Sinha:** Okay, yes, it is helpful. Thank you.
- Moderator:** Thank you. The next question is from the line of Rishi Mody, who is an individual investor. Please go ahead.
- Rishi Mody:** So, just wanted to understand on the interest cost piece, right? So, firstly, you have seen interest rates reduction plus you have seen debt pay down happening. But our interest cost has remained constant for Q2 FY '26 over Q2 FY '25. Even if I compare the balance sheet from March versus September or last year September, we are down about Rs. 200 crores, Rs. 250 crores on the debt piece. So, just wanted to understand like what's the reasoning behind this?
- Amit Kumar Gupta:** So, interest cost in the last one or two quarters would have not gone materially down because more or less the net debt remains the same or the interest cost is on gross debt not net debt. So, that remains the same. But yes, in the first week of October, we have used all our financial investments of around Rs. 450 crores. We have encashed that and we have used that to pay off the debt. So, if you see previously and if you see in March, my balance sheet would have shown you a gross debt of around Rs. 700 crores to Rs. 800 crores. Post October not in the September balance sheet, you will see that it is coming down to around Rs. 400 crores sort of a number.
- So, going forward, the expense that you should see on the interest cost would be of the Indian Rs. 400 crores, Rs. 450 crores and the overseas, around Rs. 300 crores, Rs. 325-odd crores, which should be somewhere around Rs. 50 crores to Rs. 60 crores per annum, but that would be post October, right? However, you would also not see other income to the extent it was visible earlier because the income from the investments was appearing in other income, which increased the number of the other income. So, broadly Rs. 40-odd crores per annum of other income and broadly around Rs. 60-odd crores of interest is what should be the phenomena going forward.

- Rishi Mody:** Right. So, sir, let me understand this correctly. September 2025, your gross debt is about Rs. 1,000 crores, Rs. 1,020 crores, Rs. 1,016 crores, something on those lines. March '25 your gross debt was close to Rs. 1,200 crores, correct? So, that's a Rs. 200 crore reduction. And subsequently, your cash and cash equivalents, marketable securities have also come down by Rs. 200 crores, which explains your other income coming down. But your interest cost for Q2 is still the same. So, I am just trying to understand is there a debt reset or the rate reset, which has not happened yet on our debt? Or just trying to understand link the two because net-net if I take expenses less other income as the net impact of debt reduction or that, we are worse off than we were last year. So, just trying to understand the two things.
- Amit Kumar Gupta:** No. So, you are referring to the balance sheet number at the end of the quarter. I can tell you that during the last one year or so, there has not been a material movement in debt. It may be temporary. For example last year, there were certain payables of Kurlon to be paid, which we had retained as money with us for the performance of their obligation. So, it might appear to be a little bit inflated towards the end of the year. But if you refer to interest cost, I think on a company level because you see my P&L. Last year, my P&L would not be cash negative, but would not have generated any material cash, right? So, the debt levels though at the end of the quarter may appear to be different by Rs. 100 crores, Rs. 150 crores, but actually the debt levels have remained almost the same.
- Rishi Mody:** Okay. So, sir, what explains our other income going down from Rs. 20-odd crores per quarter to Rs. 11-odd crores for the last...
- Amit Kumar Gupta:** That was basically earlier it was invested in some sort of an arbitrage fund. But then we took that money out and invested in government securities. And if you refer to last six months in long-term government security curve, you will see that there is a reduction in the value of the paper that has happened though across the board, you would see interest rate reduction. But in government securities of course there was some sort of effective increase in interest rate leading to the reduction in the value of the paper. This I have explained in my last quarter's presentation if you refer to it. And so we had to take a negative MTM last quarter.
- Rishi Mody:** And so this and last quarter if we take out the negative MTM, going forward how much of your other income and finance cost, you told me Rs. 50 crores to Rs. 60 crores. So, that comes down to Rs. 15 crores per quarter. Other income should go back to Rs. 20-odd crores or it should come down?
- Amit Kumar Gupta:** No, no. It would be Rs. 7 crores, Rs. 8 crores because I have used all my investments to pay off my debt. My interest cost was Rs. 120 crores. If it comes down to Rs. 60 crores -- Sorry, go ahead.
- Rishi Mody:** Yes. So, basically, your PBT should rise by about Rs. 10-odd crores going forward, correct?
- Amit Kumar Gupta:** This is minor calculation. I think you can do an Excel and find out what happens. I am just giving you an indicative idea of how my debt structure has changed.

- Rishi Mody:** Okay. Got it. Second, I just wanted to understand on the gross margin front, we have seen as in the raw material prices have come down, but gross margin has not expanded significantly in the domestic business. And international, we have seen gross margin expand, but Spain, we have not seen that EBITDA margin come off. So, if you could just explain gross margin not expanding in India and Spain EBITDA margins not expanding despite gross margin expansion?
- Amit Kumar Gupta:** So, because of reduction in raw material prices, our gross margins do not expand because that is passed on to the foam players. Yes, there would be a little benefit in terms of mattresses, but that would not be material in terms of impacting the gross margin to a very large extent. So, that explains the benefit that would come in gross margin would be from the cost saving initiatives, which if you see we have around 2%, 2.5% over the last one, one and a half years which has come. And the rest, as I explained, have been used for improving the business fundamentals which has led to the growth that we currently see.
- Of course more expansion would happen. That would be subsequent to the around Rs. 60 crores left of savings that are yet to come. That would lead partly to the expansion in the gross margins going forward. If you refer to the overseas business, overseas business gross margin has expanded and to a large extent, that has been transferred to the bottom line. So, if you see EBITDA margins last year, and if I remember correctly, was around 5%, 6% for both the entities. Currently, if you see for the first two quarters, it is (+8%). So, 250 basis points to 300 basis points improvement in EBITDA margins and commensurate improvement in gross margin.
- Rishi Mody:** Yes. On the international front, I am talking about Spain, particularly Australia, I see that it's flown down to the EBITDA margin. Spain, we have had 160 bps gross margin expansion, but a contraction of EBITDA margins by 100 bps. So, just wanted to understand the logic out there.
- Amit Kumar Gupta:** So, see, what I would suggest is because there are various different accounting principles in those countries basis which at times they make certain provision and then they release provisions. So, instead of looking at one quarter, I would suggest that you see their last year full year performance. And then if you see the difference in margins, you will find the transfer reasonable. Of course in Spain, the scale of business has gone up. Last year the volumes had grown by 15% though it was not reflected in the top line. So, because of the increase in scale of business in Spain, the overhead to some extent has also gone up, which has not happened in Australia because the business volume remains the same.
- Rishi Mody:** Okay, got it. Alright, that's helpful. Thank you.
- Moderator:** Thank you. Ladies and gentlemen, in the interest of time, that was the last question. I would now like to hand over the conference over to the management for the closing comments.
- Rahul Gautam:** Thank you, everyone. Thank you, Rohan. Thank you, Trisha, for conducting this conference. Let me just begin by saying that Q2 FY '26 has been a robust performance and completely in line with company's strategic direction of increasing the Indian part of the business, then increasing the mattress part of it in the Indian part, and that direction we can see that happening. We look forward to it growing or getting better and better as we go along.

I just want to thank each one of you for all the questions. It has been a learning exercise as usual for us. And for the paucity of time or any other reason otherwise, if some of the questions were not answered enough or were not raised, please feel free to reach out to Amit, Rakesh, or myself. And in the meantime till the next call, I would just say thank you very much and Jai Hind and all the best. Thank you.

Rakesh Chahar: Thank you.

Amit Kumar Gupta: Thank you.

Moderator: On behalf of Sheela Foam Limited, that conclude this conference. Thank you for joining us. And you may now disconnect your lines. Thank you.