



IGI



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INTERNATIONAL GEMOLOGICAL INSTITUTE LIMITED

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October 28, 2026

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

BSE Scrip Code: 544311

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G
Bandra Kurla Complex

Bandra (East), Mumbai - 400 051

NSE Symbol: IGIL

Subject: Transcript of the Earnings Call held for the quarter ended September 30, 2026

Dear Sir/Madam,

The Company had intimated, vide its letter dated October 15, 2026, regarding the Earnings Conference Call of International Gemological Institute Limited for the quarter ended September 30, 2026. The conference call was held on October 21, 2026 and the transcript of the call is hereby enclosed.

This intimation will be made available on the Company's website at www.igi.org.

This is for your information and record.

Thanking you,

Yours faithfully,

For International Gemological Institute Limited

NITIKA SUNNY
NIRMAL

Digitally signed by
NITIKA SUNNY NIRMAL
Date: 2026.10.28
19:11:05 +05'30'

Nitika Dalmia

Company Secretary and Compliance Officer

Encl: a/a

THE GLOBAL CERTIFICATION AUTHORITY

Formerly known as International Gemmological Institute (India) Limited and International Gemmological Institute (India) Private Limited.

• BELGIUM • USA • INDIA • CHINA • THAILAND • UAE • ISRAEL • TURKEY • ITALY • EGYPT

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**“International Gemological Institute Limited
Q2 & H1 FY27 Earnings Conference Call”**

October 21, 2026



IGI



**MANAGEMENT: MR. TEHMASP PRINTER – MANAGING DIRECTOR AND
CHIEF EXECUTIVE OFFICER
MR. EASHWAR IYER – CHIEF FINANCIAL OFFICER
MS. NATASHA KEDIA – HEAD OF INVESTOR
RELATIONS AND PUBLIC RELATIONS**

MODERATOR: MR. SUMEET KHAITAN – MUFG INTIME

Moderator:

Ladies and gentlemen, good day, and welcome to the Q2 and H1 FY27 Earnings Conference Call of International Gemological Institute Limited, hosted by MUFG Intime. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sumeet Khaitan from MUFG Intime. Thank you, and over to you, sir.

Sumeet Khaitan:

Good evening, everyone. I welcome you all to the earnings conference call to discuss Q2 and H1 FY27 results of International Gemological Institute Limited. To discuss the results, we have from the management, Mr. Tehmasp Printer, MD and CEO; Mr. Eashwar Iyer, CFO; and Ms. Natasha Kedia, Head of Investor Relations and Public Relations.

They will take you through the results and the business performance, which will proceed for Q&A session. Before we proceed with the call, I would like to mention that some of the statements made in the today's call may be forward-looking in nature and may involve risk and uncertainties. For more details, kindly refer to investor presentation and other filings that can be found on the company's website.

With this, I now hand over the call to the management for their opening remarks. Over to you, sir.

Tehmasp Printer:

Good evening, ladies and gentlemen, and thank you for joining the IGI's Quarter 2, half-yearly FY27 earnings call. I trust that you have had the opportunity to review our results and investor presentations, both of which are available on the stock exchanges as well as on our website. I will cover the two things today.

First is the quarter, what we have been seeing in the market, and in lab-grown diamonds in particular. Eashwar will take you through the numbers in detail later on.

This has been the best quarter in IGI's history. Our volumes, our revenue, our EBITDA, and our profits were all the highest we have ever reported.

We issued 4.35 million reports in the quarter. That is 26% more than the same quarter last year. In India, the volumes grew 19% on a year-on-year basis. Revenue from operations grew 31% to INR 3,980 million. For the first half of the year, revenue grew 27%, EBITDA grew 34%, and profit after tax grew 37%.

The growth has come from all parts of the business. Lab-grown grew the fastest. Natural diamonds also grew even though the natural market did not. Colored stone growth has been led by AGL, and again, Eashwar will give you the segment numbers later on.

Let me start by saying a few words about the market.

In India, the festive season has started. Diwali is on the 8th of November this year. Last year, it was on the 20th of October, and so, some of the festive stocking that happened in September last year is happening in October this year.

Even so, demand through the quarter was healthy, and the trade has stocked up well for the season. The initial trends in October driven by the festive demand are also seeing good traction.

Gold prices have been high and volatile. The buyers of the natural diamond jewelry are taking a little longer to decide. As such, the results of natural jewelry certification grew only 3% in this quarter. Lab-grown is not seeing this hesitation at all.

At our Investor Day in August, we spoke about lab-grown diamonds under three heads: supply, retail, and buyer. Let me take you through each one briefly so that we can see what we saw in this quarter.

On supply, large Indian growers are adding reactors and are doubling their capacity in 3 years. Supply is at its base and not at its peak. In the quarter, lab-grown loose certification grew 37%, signalling a robust supply ramp-up.

On retail, certification demand is created at the retail end. The certificate costs less than 2% to 3% of the retail price, and it is the very reason why consumers buy with confidence.

In India, lab-grown chains are opening up stores, and established jewelers have also launched their own lab-grown brands. In the United States, more than 50% of all bridal are now lab-grown, and other markets are likely to follow this trend. Our lab-grown jewelry certification grew 47% in this quarter as retailers stock up for the season.

On the buyers, for many families, lab-grown diamond is the very first diamond that they buy. With increase in household income, they buy more pieces, bigger stones, and over many years, over the coming years, they will move to natural diamonds. We certify natural diamonds, we certify lab-grown diamonds, colored stones, and to the same standards.

It is the IGI certificate that makes the lab-grown diamond a diamond, and it is the same certificate that also protects the value of a natural diamond.

Furthermore, last month in Bombay, the Union Home Minister, Shri Amit Shah, asked the industry to keep the entire lab-grown diamond chain in Indian hands, from machines to the showrooms. He said the lab-grown market could grow many times over its current size.

We welcome this. IGI was the first international laboratory to certify lab-grown diamonds way back in 2005. A market of this size needs an independent standard that the whole world will accept. That is what IGI provides, and that is the role that we intend to keep.

Our priorities continue to be focused

1. **Accelerate the natural diamond growth and gain market share.**

The aim is to grow faster than the market and gain market share. In a market that did not grow, our natural loose certification grew 8%, where our share is the highest in the industry.

2. Continued leadership in lab-grown diamonds.

I have covered the numbers. What matters now is the capacity ramp-up and the service through the festive peak, for which we are well prepared.

3. Scale up on gemstone acquisition through the integration of AGL.

AGL has been part of the IGI Group since January. We are building colored stone capabilities in our other laboratories using AGL methods, and we have started offering the services to our jewelry clients.

The IGI colored gemstone strategy is being shaped in collaboration with AGL, with technical review of IGI process and reporting, along with review and standardization of testing equipment. While we have seen some green shoots, we are working to build a continuous continued momentum in this space, including dedicated setups of large customers. AGL itself is ready for a growth charter and expansion into the key gemstone markets.

4. Continuous investment on the brand.

We are taking IGI from a name that the trade trusts and recognizes to the consumer who will ask for it. We initiated our B2B2C marketing initiatives in the first quarter through an IPL partnership.

We have further expanded in those initiatives through targeted media campaigns consistency in each quarter across geographies, results of which are indicated below:

The marketing ROI, we have created clear KPIs to call out:

- a. Brand research volume: IGI is up by 66% since March '26.
- b. Reach: we are reaching 20 million unique audience every quarter consistently; overall, 150 million+ views on our campaigns on a year-to-date basis.
- c. We have upped our ante on facilitating key joint campaigns to accelerate festive sales for retailers. For example, Puja campaign in the West Bengal for natural diamond jewelry, Weaveone in the NCR with consortium of LG jewelers.
- d. We are building capabilities to create regional content and strategy both within India and across the key global geographies to build brand resilience with the end customer.

5. Leveraging AI and machine learning for operating effectiveness.

AI-based work allocations and schedules, scheduling is now in the use of our laboratories. The same team is grading more stones, more efficiently and faster. The grading standards itself always remain constant and do not change.

Our network also keeps growing. We started operations in Italy this year. Saudi Arabia is being prepared. In September, we set up our company in Botswana. In our overseas laboratories, certification revenues grew by 31% without AGL, and the business is increasingly profitable.

With that, I would now like to invite our CFO, Mr. Eashwar Iyer, to take you through the financial performance for the quarter and the half-year. Eashwar, over to you.

Eashwar Iyer:

Thank you, Tehmasp, and thanks, everyone, for taking the time for joining today's conference call. I will start with an update for the quarter, followed by an update for the first half, and then we will also talk of some balance sheet matrices.

I'm talking about the consolidated group performance for the quarter.

The company has reported strong quarterly results: 4.35 million reports, which is a 26% growth year-on-year. Total revenues from operations at INR 3,980 million is up 31%. Certification revenue at INR 3,875 million, up 32%. EBITDA for this quarter clocked in at INR 2,445 million, growing 39%, with margins at 61.4%, which is 340 basis points above the same time last year. PAT at INR 1,858 million is up 43%.

This was primarily driven by robust revenue growth across all our segments, namely LGD, which grew 37%; LGD jewelry growing 47%; gemstones and other certification growing 331%.

This quarter has also seen a strong performance from our subsidiaries. Revenue growth during this quarter clocked in at 49%.

If we were to exclude the AGL consolidation on a like-to-like basis, the subsidiary business for this quarter has grown 31%. The AGL acquisition enabled an incremental 3% revenue growth. I mentioned about certification revenue growing 32%. If you were to discount the AGL consolidation, that base business delivered 29% revenue growth for the quarter.

The ARP for the quarter reported at INR 891, registering a 4% improvement versus the previous year. The AGL consolidation gave us 2% gains, and the base business ARP has grown 2% on a higher LGD loose stone mix.

On a sequential quarter basis, realizations -- the business had grown around 8%, with EBITDA growing at around 9% for the sequential quarter.

Coming to the EBITDA performance at INR 2,445 million, reflecting a growth of 39% compared to the previous year. EBITDA margin for the quarter stood at 61.4%, an improvement of 340 basis points on a year-on-year basis.

The AGL acquisition has contributed 2% of the incremental growth to the EBITDA. Consequently, PAT reported at INR 1,858 million, growing 43% to previous year. PAT margins stood at 46.7% for the quarter, which is up 400 basis points over the previous year.

I will now cover the India stand-alone results for the quarter.

In terms of revenue, certification revenue for the period stood at INR 3,040 million, growing 28%, supported by strong volume growth of 19%. This was primarily driven by strong revenue growth across our core segments, namely LGD growing 40%, LGD jewelry at 29%, gemstones and other certification grew 343%. Total revenue from operations for the quarter stood at INR 3,056 million, registering a growth of 27%.

ARP for the quarter reported at INR 827 versus the previous year of INR 773, which is up 7%, driven by an increased mix of LGD stones, which is up 6%.

EBITDA reported at INR 2,123 million, reflecting a growth of 21% compared to the previous year. EBITDA margins stood at 69.5% versus 72.8% in the previous year. It is down 340 basis points.

Obviously, this has been driven by certain investments that we made from an employee leadership standpoint plus additional marketing plus commission expenses, which we have talked about in the previous quarter as well.

Consequently, PAT reported at INR 1,697 million, growing 22% compared to the previous year period. PAT margins stood at 55.5% for the quarter is versus 57.8% in the previous year.

I am now covering the H1 results summary. I start with the group performance,

The first half has delivered an exceptional revenue growth of 27% from a revenue standpoint and an EBITDA growth of 34% with PAT growth at 37%. The group delivered a revenue from operations of INR 7,688 million, a 27% year-on-year growth, led by a 22% volume growth.

Revenue growth has been led by a 31% growth in LGD loose stones, 46% growth in LGD jewelry, and a 261% growth in gemstones and other certification. AGL revenues for H1 contributed to 3% of this growth, with the base business therefore growing 24%.

ASP for H1 was reported at INR 945 versus INR 905 for the corresponding previous year, is up 4%, AGL contributing 2% of this increase and the base business ARP growing 2% on the increased LGD mix.

EBITDA delivery at INR 4,683 million is growing 34%, with margins at 60.9%, which is up 310 basis points over the corresponding period.

AGL acquisition has of course contributed another 2% of this incremental growth to the EBITDA.

PAT delivery at INR 3,516 million, growing 37%, with margins at 45.7%, which is up 330 basis points over the corresponding period.

Coming to the India standalone performance for the first half,

The India business has reported revenues from operations at INR 5,918 million, growing 25%, with volumes growing 20%. The revenue growth has been led by a 35% growth in LGD loose stones, 32% growth in LGD jewelry, and a 245% growth in gemstones and other certification.

ARP for H1 reported at INR 847 versus INR 814, which is up 4% on an increased LGD mix, which is 5% up versus the same time last year.

EBITDA delivery at INR 4,093 million, growing 18%, with margins at 69.2% versus 72.9%.

PAT delivery at INR 3,243 million, growing 17%, with margins at 54.8% versus 58.2%, a drop of 340 basis points in line with whatever I have articulated earlier relating to additional investments in people as well as on marketing initiatives.

Operating cash -- so from a balance sheet perspective, as of the quarter close, the group reported a cash and bank balance of INR1,0749 -- for ease, it is INR10,074 million** of cash and bank balance. Operating cash flow for the half-year was INR 4,157 million, 89% of the EBITDA and 118% of the PAT delivery, helped by a working capital release of around INR 662 million as receivables have fallen from a peak of around INR 2,885 million to INR2,402 million.

On capital, the Board declared a first interim dividend of INR 2.55 per share in August, which was paid in September. Our priorities, as articulated during the Investor Day, remain unchanged. We invest in capacities, geographies, and technology, selective bolt-on acquisitions, and return surplus cash, which the Board reviews with each set of results.

Coming to the outlook for the full year,

In May, we have given a guidance of 15% revenue growth and a 20% EBITDA growth for the full year 2027. However, given the first-half performance, which has come well ahead with revenues growing 27% and EBITDA growing at 34%, this was driven by strong industry tailwinds and from our own strong operational performance, with operating leverage taking EBITDA growth ahead of revenue growth.

The tailwinds are still with us, and so is the strength of our execution. We therefore expect to keep outperforming for the full year as well, similar to the H1 delivery.

With that, I conclude my remarks, and I open the floor for any questions.

Moderator: Thank you very much. We will now begin with the question-and-answer session. The first question is from the line of Harit Kapoor from Investec. Please go ahead.

Harit Kapoor: Hi. Good evening. Congrats on an excellent set of numbers. Just had two, three questions from my end. First was, you know, this sharp pickup in the LGD revenue growth, while we've seen this, you know, in the past as well, but, you know, the numbers are very, very strong this quarter. Just wanted to understand, you know, is it a function of preordering in terms of, before festive because this time festive has actually got a little bit delayed?

So, should we expect some tapering down in quarter three, you know, given that it's very sharp increase? And similarly, on the natural side as well, given that, you know, the base was actually

****Note:** During the call, Cash and bank balance figure was inadvertently said INR 10,074 million kindly note that it should read INR 10,749 million as a factual figure, reported in financials, investor presentation & other filings.

reasonably strong, should we expect a further pickup in growth to the opposite frame -- in the opposite direction?

So, should it take a higher growth, you know, as the festive starts to, you know, has moved into quarter three? So, just some nuances on kind of what's driven these growths would be very helpful. That's my first question.

Eashwar Iyer:

Yes. Hey. Hi, Harit. It's good to hear from you. Okay, Harit, I think a couple of questions. One is on the LGD growth, and the second one is on ND growth. You know, going back to what we articulated during the Investor Day, we had, you know, actually mentioned the fact that there is significant capacity addition that is happening at the grower end, right? And I think and from that standpoint, the momentum for the business continues from that standpoint. So, we've seen business at more or less the same levels. If you were to look at the quarter two numbers, at the consol level, it was at INR 2,111 million of LGD revenue, which is more or less same as what we delivered in quarter one, which was INR 2,095.

So, from that standpoint, we're starting to see scale-up coming into our laboratories for certification. We don't anticipate any slowdown as far as lab-grown business is concerned for the coming quarters as well. This is a tailwind from the industry, given the capacity addition that's happened at the grower end.

Harit Kapoor:

Got it. Okay.

Eashwar Iyer:

Coming to natural diamonds, the business has shown a 8% growth this quarter. Sequentially, we are seeing a 5% growth. And, you know, from an H1 standpoint, this business has grown 7%. We had a slow start to the year as we had spoken in the last quarter, and we are starting to see some traction as far as natural diamond business is also concerned. We expect this momentum to continue into the next 2 quarters as well.

Harit Kapoor:

Got it. The second bit was on again on LG. You know, are you seeing a slightly more broad-based growth. I know growers are doing well in terms of the capacity additions, but the secondary customers -- the customer set, which is the jewelers, are you seeing a more broad-based global growth now? You know, historically, it was kind of, you know, centered around the US, but are you seeing it being more broad-based now?

Eashwar Iyer:

Two things here, Harit. LGD jewelry this quarter has grown 47%, and H1 is 46%. So, the consistency across both these quarters versus previous year is well established. And as we've discussed again during the investor call, there is markets opening up in Europe, Latin America, etc etc, and also Australia, for that matter. I think that trend is continuing as far as the performance on LGD jewelry segment is concerned.

Harit Kapoor:

Perfect. And last bit was on, you know, you spoke about guidance that first half has been far ahead of your earlier stated kind of trajectory. So, you know, could -- you know, would you like to articulate what looks like your new kind of, you know, target number for the year if that's possible?

- Eashwar Iyer:** So, that's what I just mentioned on the call, Harit. We expect to keep outperforming for the full year as well, in line with what we have delivered in H1. So, we expect the business to obviously, therefore, beat the guidance that we have given for the year.
- Harit Kapoor:** So, H2 you're saying will be higher than the 15% revenue and 20%...
- Eashwar Iyer:** Yes.
- Harit Kapoor:** EBITDA growth as well? That's what you're trying to say.
- Eashwar Iyer:** That's right.
- Harit Kapoor:** Okay. Thank you. Wish you all the best. Thank you.
- Moderator:** Thank you. The next question is from the line of Harish Advani from Axis Capital Limited. Please go ahead.
- Harish Advani:** Hi. Congrats on a great set of numbers. My first question was on the guidance as asked by the previous participant. Since we're anyways clocking well ahead of the 15% revenue growth and 20% EBITDA growth, can we relook the guidance because we're anyways kind of overshooting it pretty significantly? Yes. That's my first question.
- Eashwar Iyer:** Yes, Harish. I think I just explained that. We expect to outperform for the full year in line with what we have done for H1.
- Harish Advani:** Okay. So, no change to the estimates. Okay. Fine. The second question was on the...
- Eashwar Iyer:** Sorry. One second. We are saying that we are revising our 15% and 20% upwards given the fact that H1 delivery has beaten our initial estimates for the full year.
- Harish Advani:** Yes, sir. So, my question was that to what are we kind of revising it to? That was my question.
- Eashwar Iyer:** Yes. So, we're saying it's going to be similar to what we have delivered in H1 from a growth standpoint.
- Harish Advani:** Okay. Perfect. Thank you. The second question was on the cash that we are generating. How are we planning to utilize this cash that we've accumulated so far? Because since we're anyways asset-light kind of business, are we thinking more in terms of, say, higher dividend payout or do we have some acquisitions that we are kind of evaluating at the moment?
- Eashwar Iyer:** Yes. So, in line with what I've just mentioned, the priorities as far as capex allocation remains the same: investing for growth. We've recently ventured into Italy, and also we are venturing into Saudi Arabia. So, growth takes the first priority, followed by M&A opportunities, and then dividend payouts.
- So, very recently, as recent as September, is when we made this dividend payout. And again, we get guided by what the Board decides on some of these dividend matters. So, you should expect that sequence to continue to follow for the subsequent quarters as well.

- Harish Advani:** Okay. Perfect. Those were my two questions. Thank you, and all the best.
- Eashwar Iyer:** Thank you.
- Moderator:** Thank you. The next question is from the line of Jitaksh Gupta from Tikri Investments. Please go ahead.
- Jitaksh Gupta:** Hi, sir. Thank you for the opportunity. Sir, I just have one question. So, sir, we are constantly beating revenue, EBITDA, and PAT guidance, also getting operating leverage at consol basis. So, just wanted to understand like, how do you see the revenue for FY30? Like, I'm not looking for any specific guidance, but just trying to understand the broader picture from your side. So, what will work for us? What is working for us? So, that is the question.
- Eashwar Iyer:** Yes. Mr. Gupta, yes, as I mentioned, the tailwinds are extremely strong, and we have seen the strength of our execution capability in the results that got delivered during H1. And we, therefore, are expecting this trend to continue for H2, and we will outperform for the full year as well.
- Jitaksh Gupta:** And sir, for a broader perspective, any guidance you can provide from a 5-year point of view? Like, just trying to understand a broader picture, not a specific guidance, but what do you like assess about the industry? What do you think about the industry?
- Eashwar Iyer:** As I mentioned, it's going to be same in line with what we delivered in H1.
- Jitaksh Gupta:** Okay, sir. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Riddhesh Gandhi from Discovery Financial Services Private Limited. Please go ahead.
- Riddhesh Gandhi:** Hi, sir. I just had a couple of questions. One was, you know, as the price of lab-grown continues to go down, you know, our percentage of the cost of the overall diamond is actually increasing. Is there some particular point at which there is going to be a pushback on do we really need certifications for, you know, something that's not really all that expensive?
- Eashwar Iyer:** Hi, Riddhesh. Yes, I think you should refer back to our Investor Day deck. There are two or three aspects which were covered in that conference. Number one was the stability of the wholesale price over the last couple of years. It settled in the 118 to 120 range. That was the articulation that we made in that presentation that day. Number two, the need for certification is driven by retail.
- And if you were to look at the certification cost as a percentage to what it retails at, this is between 2% to 3%. So, from that context, we expect the business to continue with the current momentum. And I think we've addressed this in the past in terms of where this business is headed, etcetera. Given the fact that significant capacity is getting added and stability in the wholesale prices, we expect that the business is going to continue on a strong wicket for the forthcoming quarters.

- Riddhesh Gandhi:** Got it, sir. You don't -- okay. And the other question was that in terms of, you know, just looking at a few channel checks, I did across the industry, you know, is that how important is our brand? And just want to understand what is driving our such a strong, you know, dominant market share here? And is there a risk of a new player actually entering in here, offering it at a much lower cost and then just becomes, you know, acceptable?
- Eashwar Iyer:** Well, I wish that was as simple as you stated, Riddhesh.
- Riddhesh Gandhi:** No, it isn't simple. I'm just asking the reason behind the barriers to entry here.
- Eashwar Iyer:** Yes, there is an element of a first-mover advantage, which IGI has. We were the first to certify lab-grown diamonds. Number two is the fact that there is an element of trust and acceptance for a brand. That has got established over 50 years. These are the moats of this business. And given these strengths that we have from a competitive landscape, we you know, that's the reason why we lead in the segment that we are currently operating in.
- Riddhesh Gandhi:** Got it. And then, just again this is for my own understanding is that look, when we speak to people in the industry, obviously, when it comes to let's say like natural, people do value GIA a lot. And when it comes to LGD, obviously, people are going to you primarily. Is there any...
- Moderator:** Sorry to interrupt. Mr. Gandhi, due to time restrictions, please come back in the question queue for more follow-up questions.
- Riddhesh Gandhi:** Okay.
- Moderator:** The next question is from the line of Rajesh Jain from RK Capital. Please go ahead.
- Rajesh Jain:** Thanks, sir, and congrats on a very strong set of numbers. My question is on the nature of the lab-grown diamond certification. Your competitor GIA has moved away from the traditional 4Cs reporting for lab-grown diamonds towards a simplified premium or standard classification kind of reporting, right?
- So what does IGI, what does your company see as the likely long-term market preference? Will the market opt for simplified classification or the detailed grading reports that you provide? And are customers willing to pay a premium for the detailed certification or will they opt for the lower-cost simplified certification?
- Eashwar Iyer:** Okay, Rajesh. This is a long drawn-out answer. Let me see how crisp I can be. There are a couple of elements that we need to understand as to the need for certification. One, the 4Cs establish the commercial value at which these goods get traded across the value chain. The specific color, the specific clarity, the cut and the carat weight, these determine the commercial value at which these stones get traded, number one.
- Number two is unless that sort of clarity is available to the consumer; he doesn't understand what he is buying. That is the reason the 4Cs have been established and been prevalent for the last 70 or 80 years. That is the foundation on which the diamonds are certified and there is an acceptance for that certificate. It's not going to go away at all. And as an independent third-party

authenticator, we continue to believe that the 4Cs are a critical element to determine the quality of the diamond.

Rajesh Jain: Okay. So you are not seeing any traction towards or any demand for the simplified classification? Rather, you are seeing strong traction for the 4Cs-based reporting.

Eashwar Iyer: You're right.

Rajesh Jain: Okay. Fine sir. Two more short questions. Just wanted to understand the meaning of your sentence when you say H2 will be similar to H1 growth rate and I have seen that the H1 growth rate has been closer to 27% in terms of revenue growth. So on the full-year basis, can we expect a 25% revenue growth plus minus 2%? I mean, just wanted to be clear whether I've understood your sentence correctly.

Eashwar Iyer: Okay, Rajesh. As I've articulated on the call, there are significant tailwinds for the business. There is significant capacity that is being added and as we get into this festive season, our performance for October continues to be rock solid. And that is the reason why we are saying that we expect to outperform for the full year, similar to what we delivered in H1.

Rajesh Jain: Okay. So you will not like to call out a number like 25%, but you're just saying that it will be outperformance, basically, and it will be similar to H1 growth rate. Fine. Sir, last question. Are you seeing more demand from the large chain stores or you are also seeing demand from individual jewelry stores going for LGD certification, specifically for LGD certification? And is the growth in end-customer...

Moderator: Sorry to interrupt, Mr. Jain. Due to time constraints, kindly come back in the question queue for more follow-up questions. The next question is from the line of Rajesh Shah from BTH Capital. Please go ahead.

Rajesh Shah: Congrats, sir, on a strong set of numbers. So my first question is that our ASP grew despite a strong growth in both lab-grown diamond jewelry as well as loose stones. So is there an element of prices starting to grow for lab-grown diamonds now? Is that the reason behind the ASP growth overall? And my second question would be around...

Eashwar Iyer: Rajesh, one question at a time. Your first question, can you just kindly repeat? I didn't understand that.

Rajesh Shah: Yes. So our ASP grew despite a very strong lab-grown diamond jewelry as well as loose stone growth. So just wanted to understand are prices for lab-grown diamonds starting to go up now? That was my first question.

Eashwar Iyer: Okay. So Rajesh, as I just spoken to all of you all on the call, the ARP for the quarter is up 4%. 2% of that growth came from AGL. The balance 2% came from the base business, driven by a higher LGD mix. If you were to look at the LGD mix for this quarter, it was 54% versus 52%. That is the key driver for effectively 2% increase in the ARP if you were to discount the AGL consolidation.

- Rajesh Shah:** Got it. My second question was around the market...
- Moderator:** Mr. Shah, due to time constraints, kindly come back in the question queue for more follow-up questions. The next question is from the line of Saania Jain from Care PMS. Please go ahead.
- Saania Jain:** Hi. Thank you for the opportunity and congratulations on a good set of numbers. Just one question to understand more on the industry dynamics. With the rise of AI, how has the competitive landscape for IGI changed? So basically, can smaller labs now use AI to enter the field easily and offer the similar testing and analytical services that IGI offers but at a lower cost? Just wanted to understand that bit.
- Eashwar Iyer:** Okay, Saania. From an AI stroke ML standpoint, the critical aspect is how do you build capability from a machine learning standpoint. The machine learning happens through the images that we capture in the lab and feed it to the machine for it to start interpreting the results, which is otherwise given by humans. That sort of expertise is with IGI.
- We have been certifying, as you said, some 4.5 million certificates is what we issued during this quarter, right? So that sort of data sits not with everybody across the globe. IGI is in the unique position to have this sort of images, etc., which can be, therefore, leveraged for machine learning and, therefore, introduction of AI into our processes to basically improve our productivity around turnaround times, etc. and that is the endeavor we are working on.
- Saania Jain:** Okay, got it. Thank you.
- Moderator:** Thank you. The next question is from the line of Rohan from Dexter Capital. Please go ahead.
- Rohan:** Yes. Hi. Thanks for taking my question. I just have one question. The average realization, it fell 12% on quarter-on-quarter basis and the presentation attributes it to 4% fall in the LGD loose stones. Can you please help me explain the mechanism? Because it's a bit counterintuitive for me since the LGD certification should cost lower than the natural diamond certification. So if you can help me understand the mechanism, it will be really helpful.
- Eashwar Iyer:** Yes, Rohan. What we are talking here is from a revenue mix standpoint and not a cost standpoint. The mix for the quarter was 4% lower and the jewelry mix is up around 3% or 4% if you were to combine both natural diamond jewelry and LG jewelry. This is the trend that we normally see during this quarter, which is quarter two, quarter three, given the fact that we are entering a festive season. So that is the context in which you must look at this 12% decline on ARP from a sequential quarter standpoint.
- Rohan:** Got it. Thanks.
- Moderator:** Thank you. The next question is from the line of Jinal Sheth from Awriga Capital Advisors LLP. Please go ahead.
- Jinal Sheth:** Good evening. Congrats for a good set of numbers. Sir, I just require a couple of clarifications. Is it true that we have given rights to the large top five LGD manufacturers in Surat the right for printing certificates?

- Eashwar Iyer:** Mr. Sheth, can you just repeat your question?
- Jinal Sheth:** Yes. What I'm asking is that have we given printing certificate rights to the large five lab-grown diamond manufacturers in Surat?
- Eashwar Iyer:** No, Jinal, we haven't given any rights to anybody to print our certificates.
- Jinal Sheth:** Okay, fine. And my second clarification is that I do pick up from speaking with multiple diamond LGD guys in the business that there is grading inconsistency in regards to when it comes to IGI certification. Can you clarify on the same?
- Eashwar Iyer:** As we have articulated in the past, the grading is a subjective element. From the 4Cs that we grade as far as diamond is concerned, apart from the carat weight, which is an objective analysis, the other three aspects are subjective. However, given the way our organization is structured, depending on the size of the stone, etc., there are multiple pairs of eyes which go before a final certificate is issued.
- It is not that a single grader can gauge a stone and a certificate gets printed. We are an ISO-accredited organization. There are strong internal processes that have been built over the last 50 years of our existence. So there's multiple layers of check before a final stone passes our system and a certificate is issued. So from that context, we remain extremely confident on the capabilities and the processes that we run within the organization to deliver consistency of grading results across all our businesses.
- Tehmasp Printer:** Can I pipe in now? Can you guys hear me?
- Eashwar Iyer:** Go ahead, Tehmasp.
- Tehmasp Printer:** Yes, because I've been trying to get in, but I don't know, somehow. Anyway, see, the thing is at IGI, we are the only laboratory which has been certified by ISO for the last 18 years. Now, ISO has a very stringent accreditation process where they govern the entire process as well as the technical ability. We also get certified by RJC, which is Responsible Jewellery Council worldwide and they look into the social aspects of our business.
- So both of these, we are the only laboratory to have defined the entire process. And furthermore, see, where lab-grown is concerned, we are the only laboratory in the world to acknowledge it as a diamond because both are exactly the same and natural diamond is earth-mined, laboratory diamond is man-made but both are diamonds.
- And we, as a principle, being a third-party independent certification body, we emphasize that we will grade diamonds and we will keep to our integrity. We will not lesser the diamond, like lab-grown, to something which is mundane. It is less expensive than natural diamonds, but it is still an affordable luxury. And there are consumers in the world who would love have -- the desire to have diamond and today lab-grown gives them the opportunity to buy a diamond and which is also certified by IGI.

So IGI stands its ground that we will certify all gemstones and diamonds and give the origin of the diamond. And of course, in the diamond business, we will give the 4Cs, which is an age-old, 100-year-old certification criteria, which has been given to the world. So at IGI, we will give the 4Cs, we will give the origin and that is what we have placed our integrity and the trust to defend for the consumers.

Jinal Sheth: I really appreciate your answers. To that extent, GIA, the leader in US and Europe, they recently let go of the 4Cs process. Isn't it true, sir? And they being so large and we are literally a small scale of theirs, I mean, I just kind of wonder that US, Europe being so large and GIA and the HRD, the Belgian based, so somewhere I've heard that our grading compared to them, there is a gap. So it's only -- so yes, just some comments on that if I may.

Tehmasp Printer: There is no gap. In fact, we are consistently drawing a straight line across the 4Cs. And I would say that because of the humongous quantities that we certify, we get into the AI and ML mode and more and more accurate results are being given to the consumer to the consuming world.

Jinal Sheth: Great. Thank you so much for detailed answers.

Tehmasp Printer: Thank you.

Moderator: Thank you. The next question is from the line of Aliasgar Shakir from Motilal Oswal Mutual Fund. Please go ahead.

Aliasgar Shakir: Yes, thanks for the opportunity. Hi, Eashwar and Tehmasp. So I don't know if my question has already been asked. I'm sorry, I joined a little late. Just wanted to check on the guidance. So we had earlier given the guidance of high teens revenue growth and EBITDA, PAT growth.

Now H1 has been almost 1.5x of what you had guided. And in fact, EBITDA and PAT have been almost close to 2x of the growth that you had guided. So if you can just share some color in terms of what we should expect for H2. If you hold your guidance, then H2 can be significantly lower or you think that guidance will be upgraded?

Eashwar Iyer: Okay, Ali. I think you've joined the call a little late.

Aliasgar Shakir: Yes, sorry. I joined a little late.

Eashwar Iyer: So we've addressed this to a couple of participants. Yes, you are right. We have obviously over-delivered versus whatever was our initial estimate. And this is obviously driven by some significant tailwinds that we are seeing in the industry.

Some of this was articulated during the investor call as well, where we have spoken about significant capacity additions, etc., happening in this segment. That is enabling us to therefore see these numbers the way they are panning out. And given the fact that we had such a strong H1 performance, we are upping our guidance to say that we expect to keep outperforming for the full year in line with the performance for H1.

Aliasgar Shakir: Understood. Got it. Thank you. This is very helpful and sorry for repeating that question. Thanks a lot.

- Eashwar Iyer:** Thanks, Ali.
- Moderator:** Thank you. The next question is from the line of Divya Daga from VGSPL. Please go ahead. Miss Daga, kindly go ahead with the question. Miss Daga, please unmute yourself. As there is no response, we move on to the next participant. The next question is from the line of Pankaj from Avis Capital. Please go ahead.
- Pankaj:** Yes, very good evening and congratulations to the entire team for a strong set of numbers. A very quick question. We saw EBITDA jump up almost like 3.4% in this financial year. This is in spite we saw a dip in India's EBITDA percentage by a similar kind of percentage. So what is the EBITDA margin we are expecting on a steady-state basis? That's one.
- The second is on the India dip which we saw and you explained that this is because of some investments you have made. So when are we actually expecting the results to come out of those investments?
- Eashwar Iyer:** First question, first in terms of the overall EBITDA margin, is that the question? I hope I got it right. The business delivered 60.1% EBITDA margin for the financial year '25-'26. First quarter, we delivered 60.4%. And in this quarter, we have delivered 61.4%. This business, as we have articulated in the past, has operating leverages, which translates to a EBITDA growth, which normally is faster than the revenue growth. We expect that trend to continue.
- Pankaj:** Okay. And on the India...
- Moderator:** Sorry to interrupt. Due to time constraints, kindly come back in the question queue for more follow-up questions. The next question is from the line of Renga Varshini K. from Wealthified. Please go ahead.
- Renga Varshini K.:** Good evening, sir. Congratulations on good set of numbers. My question is on the margin side. How does it differ between your India and international business? And how much of this is organic versus the acquisition part of it? If you could quantify this on a percentage basis that will be helpful, sir
- Eashwar Iyer:** See, we look at our business as a combination of two factors. One is that the manufacturing base is here in India. Therefore, we see a huge leverage that happens for the India operations. But the largest retail chains are in the West. That is the reason in the past and as we also evolve as an organization, we are talking about the strength of one IGI, which is the manufacturing strength coupled with the retail strength of the other geographies, giving us the edge as far as the totality of the business is concerned.
- And that is the reason why we have always articulated; please do not look at these numbers in isolation because the demand comes in from the Western market. We are the suppliers to the world. The entire ecosystem as far as lab-grown business is concerned rests in India. The entire grading process also rests in India. So that is the reason I would endeavor to ask everyone to look at these numbers in its totality.

- Renga Varshini K.:** Understood, sir. Thank you very much. And if I may add up another question. We have discussed in the previous quarter about expansion of AGL beyond US. In which geographies are we particularly targeting, sir?
- Eashwar Iyer:** Tehmasp, would you want to answer that question?
- Tehmasp Printer:** Yes, no sweat. See, AGL has excellent expertise in the colored stone analysis and IGI has a global reach. So what we want, what we plan to do is to extend AGL services to the other parts of the globe. It can be I mean, we are already looking into different territories where we are expanding. But currently, I would not really like to expose where exactly we are going to open up. But we have a plan which will take AGL to the global level.
- Renga Varshini K.:** Thank you, sir. All the very best.
- Tehmasp Printer:** Yes. Thank you.
- Moderator:** As there are no further questions from the participants, I now hand the conference over to the management for closing comments.
- Eashwar Iyer:** Tehmasp, would you want to give some closing comments or you want me to take it?
- Tehmasp Printer:** You just take it.
- Eashwar Iyer:** Okay. So thanks, everyone. Thanks for taking the time and we hope that we have answered the questions that's been running around in your mind. In case you have any further follow-up questions, we are just one phone call away. We appreciate your patience and thank you very much for the time.
- Moderator:** Thank you. On behalf of International Gemological Institute Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.