

Date: November 12, 2025

To, Listing/Compliance Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001

BSE Scrip Code: 544459

To, Listing/Compliance Department National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G-Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051

NSE Symbol: SHANTIGOLD

Subject: Q2 & H1 FY26 Earnings Call - Transcript

Ref: Regulation 30 & 46(2) of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 ('Listing Regulations')

Dear Sir/ Madam,

With reference to our intimation filed on October 30, 2025, please find enclosed the transcript of the Q2 & H1 FY26 Earnings Call held on Thursday, November 06, 2025 at 02:30 P.M. (IST) for the quarter and half-year ended September 30, 2025.

This intimation is also being uploaded on the Company's website at www.shantigold.in.

We request you to take the same on record.

Thanking you,

For Shanti Gold International Limited

Vrushti Shah

Company Secretary & Compliance Officer Encl: As above



"Shanti Gold International Limited Q2 & H1 FY '26 Earnings Conference Call" November 06, 2025







MANAGEMENT: MR. PANKAJKUMAR JAGAWAT – CHAIRMAN AND

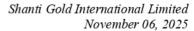
MANAGING DIRECTOR - SHANTI GOLD

INTERNATIONAL LIMITED

Mr. Shriram Iyengar - Chief Financial Officer

- SHANTI GOLD INTERNATIONAL LIMITED

MODERATOR: MR. SMIT SHAH – ADFACTORS PR





Moderator:

Ladies and gentlemen, good day and welcome to Shanti Gold International Limited Q2 and H1 FY '26 Earnings Conference Call. As a reminder, all participants' lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need any assistance during this 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. Smit Shah from Adfactors PR. Thank you and over to you, sir.

Smit Shah:

Thank you. Good afternoon, everyone, and thank you for joining us on the Q2 & H1 FY'26 Results Conference Call of Shanti Gold International Limited. We have with us Mr. Pankajkumar Jagawat, Chairman and Managing Director. Mr. Shriram Iyengar, Chief Financial Officer. Before we begin, I would like to remind you that certain statements made in today's discussion may be forward-looking in nature and may involve certain risks and uncertainties.

A detailed statement in this regard is available in the Q2 and H1 FY26 results presentation that has been shared with you earlier and is also available on the Investor Section of the website. I now hand over the call to Pankaj sir to begin the proceedings of this call. Thank you and over to you, sir.

Pankajkumar Jagawat:

Hello, good afternoon, everyone and thank you for joining us on today's conference call. I would like to begin by expressing my gratitude to all for taking the time to join us today. I trust you all would have had the chance to go through our investor presentation and result published on the website and stock exchange.

Since this is our first earning call and many of you are hearing from us for the first time, I would like to take a moment by providing a comprehensive overview of our company. At Shanti Gold International Limited, we are one of the leading manufacturers of high quality 22 carat CZ gold casting jewelry.

We have a rich history spanning over two decades and are deeply committed to maintaining the highest standard of craftsmanship, design and customer satisfaction. Our company specializes in the design and production of a diverse range of jewelry pieces including bangles, rings, necklaces and complete jewelry sets.

We offer products across various points catering to different customer segments from everyday jewelry to exclusive bridal and festive collection. Our deep commitment to quality combined with an integrated in-house manufacturing setup allow us to control every aspect of production from design to packaging ensuring that we meet the highest standard of our jewelry product.

Our current manufacturing capacity is 2,700 kg per annum and we are expanding our installed capacity with the construction of new facility in Jaipur to further scale of operation. A key



pillar of our success in our design team as of September 30, 2025, we have 61 CAD designers who produce over 400 designs every month. Our team employs advanced computer-aided design CAD technology to create, integrate detailed pieces of jewelry that reflect the latest trends and customer preferences. Whether it's a traditional wedding set or a more modern jewelry wear piece. We pride ourselves in offering a wide range of products to cater to the evolving tastes of our customers. Our focus on innovation is evident in the diversity of our product portfolio.

We have continuously innovated and released new collections which help us to stay relevant in a competitive market. Over the past several years, we have been able to build a long-lasting relationship with many prominent jewelry businesses including corporate brands like Joyalukkas, Lalithaa Jewellery, Alukkas Enterprises, Kalyan Jewelers.

We have deployed a loyal customer base that span over 15 states and two union territories in India and few international markets. We continue our reach within India and internationally with a strong presence in Southern India and plan for geographical expansion in North India and abroad

With a healthy track record and a wide diversified customer base, we are confident in our ability to continue delivering strong growth as we actively work on several strategies to achieve this. As a part of our growth plan, we are constructing a new manufacturing facility in Jaipur, the facility which increases our production capacity by an additional 1,200 kg taking our total installed to 3,900 kg per annum.

Though this facility will be introducing a new line of machine-made plain gold jewelry, this expansion will enable us to meet growing demand and further fast-track our long-term growth trajectory. We are actively working to expand our presence in North and Western India which represent a significant market opportunity.

Additionally, we plan to increase our presence in international markets such as USA and UAE, leveraging trade exhibition and partnership, to build brand recognition and customer relationship. To support our expansion effort, we are focused on improving our working capital. This will allow us to efficiently manage our raw material procurement and meet the increasing demand of our products.

To conclude, Shanti Gold International Limited is well-positioned for continuing growth, thanks to our robust manufacturing capabilities, a diverse range of jewelry products and a strong network of customers and partners.

We are confident that our ongoing investment in capacity expansion, geographical reach and product innovation will enable us to capture new opportunities in both domestic and international markets. We remain committed to delivering value to our shareholders, customers and employees, and we are excited about the future of Shanti Gold.



SHANTI GOLDA International Ltd

With this, I will hand over the call to Mr. Shriram Iyengar, CFO, to take you through the financial performance of the company. Thank you.

Shriram Iyengar:

Thank you, Pankaj ji, and good afternoon to everyone present. It is a pleasure to welcome you all to the Q2 and H1 FY26 earnings call of Shanti Gold International Limited. I would now like to take you through the financial performance. The Q2 and the first half of the fiscal year has turned out to be very eventful for our company.

We got successfully listed on the stock exchange and followed up with a very impressive performance for the quarter and half year ended 30th September 2025. Now let us get into the key numbers for the quarter and the H1 ended for this current fiscal.

Revenues from operations for the quarter stood at INR430 crores compared to INR266 crores in Q2 FY25, registering a growth of 61.6% on Y-o-Y basis. EBITDA for the quarter was INR63.27 crores compared to INR19.26 crores in Q2 FY25, a growth of nearly 228.46%.

EBITDA margins for the quarter stood at 14.75% as compared to 7.24% in Q2 FY25, improved by 740 basis points on year-on-year basis. PAT for the quarter stood at INR43.82 crores as compared to INR9.22 crores in Q2 FY25. PAT margins for the quarter stood at 10.19% as compared to 3.46% in Q2 FY25.

Now moving to H1 FY26 financial performance. Revenues from operations for H1 FY26 was at INR722.85 crores compared to INR505.9 crores in H1 FY25, registering a growth of 42.8% on year-on-year basis. EBITDA for H1 FY26 was INR102.86 crores compared to INR36.15 crores, a growth of 184.50%.

EBITDA margins for H1 FY26 stood at 14.23% as compared to 7.15% in H1 FY25, an improvement of 708 basis points on year-on-year basis. PAT for H1 FY26 stood at INR68.46 crores as compared to INR18.21 crores in H1 FY25. PAT margins for H1 FY26 stood at 9.47% as compared to 3.15% in H1 FY25, an improvement of 587 points on year-on-year basis.

We remain confident that our strategic initiatives and operational strength will continue to drive sustainable growth in the coming quarters. Thank you once again for joining us today and for your continued interest in Shanti Gold International Limited.

With this, I now ask the moderator to open the floor for Q&A sessions.

Moderator:

Thank you very much, sir. We have a question from Amit Agicha from HG Hawa. Please go ahead.

Amit Agicha:

Yes, good afternoon. Thank you for the opportunity and congratulations for a good set of numbers. So, what is the capex outley for the Jaipur facility?



Shriram Iyengar: Capex outley, that's the earmarked is INR46 crores. As of now, the structure is ready. Going

forward, the interior and the furniture will gather momentum in the coming months and all.

And we hope to start commencing operations from early next year.

Amit Agicha: So, INR46 crores will include everything, right?

Shriram Iyengar: Yes. It includes plant and machinery, civil construction, everything.

Amit Agicha: And what will be the timeline for you that like you are commissioning from?

Shriram Iyengar: Next year, early next year.

Amit Agicha: Can you give any date, any month?

Shriram Iyengar: Yes, by May-June, most likely we should be ready by May-June, '26.

Amit Agicha: Okay, and what will be the improvement in the revenue once that is ramping up?

Shriram Iyengar: See, at Jaipur, we propose to have a machine-made jewellery over there. So, that will be an

independent setup with a new product line. So, that will definitely help us to scale our operations and also give access to the northern part of the country. So, that will be a big, big

factor.

And it's coming up with a large infrastructure base. Currently, we are coming up with 50,000

square foot construction. And going forward, we can even enhance the production capacity

also, and it will give access to the northern part of the country.

Amit Agicha: And so, with respects to exports, like, what is the company's target for exports?

Shriram Iyengar: Predominantly, we are more into the domestic market now. But yes, going forward, we are

exploring or strengthening our global presence in countries like UAE and all. Our strategy has been very clear. We want to go there. We already have a presence, just like UAE and all. And

we are also planning to open a subsidiary company in Dubai.

Most likely, again, that will come up at the end of this year, which should be done. But

operations will commence in the next year. Basically, the idea is to strengthen our global presence and enhance our product profile to the international customers. So, that will be a key

hub, serving for our trading, selling, reselling for a wide area of products that we manufacture

in Mumbai. And that will be 100% only on subsidiary company.

Amit Agicha: And sir, like, are there any plans to open a company owned or franchised retail outlets?

Shriram Iyengar: No. As of now, we don't have any plans. Our core focus is to do the manufacturing and just,

you know, increase, have a geographical presence Pan India, as well as in the international

market.



Amit Agicha: And, sir, as far as Mumbai, what are the total number of employees?

Shriram Iyengar: Mumbai, we have an employee strength of 255 people.

Amit Agicha: 255?

Shriram Iyengar: Yes.

Amit Agicha: And once this Jaipur factory gets ramped up, how many employees probably will be employed

over there?

Shriram Iyengar: Around 300 to 400.

Amit Agicha: Yes, for Jaipur, you were saying like 300 plus, right?

Shriram Iyengar: Yes, yes, Going forward, I mean, over a period of time. Now, initially, just now, we can't

ramp up immediately 300. As we commence operation, it will go in a phase-wise manner. So, initially, yes, we will test the product, new line of products and all. So, as we grow, definitely,

we will have, eventually, we will reach to that strength going ahead.

Amit Agicha: Understood, understood, sir. And, sir, is there any debt right now on the company?

Shriram Iyengar: Sorry?

Amit Agicha: I mean, net debt position, like borrowings?

Shriram Iyengar: No, debt position, as of now, we are comfortable at the current level, though it gives us a very

good headspace, because our current debt levels are less than maybe at 0.34x. So, it gives us a good headspace. So, we will, depending upon the market situation, how the market develops

and all, based on that, we will have access to the fund debt requirements and all.

As of now, we are very comfortable with the existing capital, and we are doing good, though it

gives us a good headspace to do, to have a leverage, that kind of a leverage, forward to fuel our

future growth.

Amit Agicha: The balance sheet shows INR184 crores in net debt?

Shriram Iyengar: Yes.

Amit Agicha: And what will be the blended cost of interest on it, sir?

Shriram Iyengar: So, currently, the rate of interest ranges from 8.3% to 8.4%. And the debt to equity stands at

0.34x, which is, I think, which really gives us a very headway to further go ahead, for additional borrowing, and although currently, as of now, we don't have any such immediate plans, though, but depending on the market situation, we will definitely look ahead to how to

proceed with the borrowings and all.



Moderator:

Thank you. Next question is from the line of Aayush Saboo from Choice Institutional Equities. Please go ahead.

Aayush Saboo:

Hi. So, we've shown strong volume growth of 10%, despite, you know, the rising gold prices. So, could you elaborate more on that? Could you throw some color on that?

Shriram Ivengar:

Yes. See, basically, the volume has definitely grown. This was primarily because of a timely infusion of equity capital that we successfully got launched in the month of August and all. So, there was a good equity infusion.

Actually, I would rather say it has come at a very right time, just, you know, leading up to this festive season and all, and followed by it also helped us that there was a big rally in the price after we got the inventory also. So, the surge in the price also was one of the contributing factors to add to that top line.

And yes, the core activity that is of design innovation, craftsmanship, and that was the core thing to the adding up to the top line. But the major factor being the price volume. Yes, again, one more thing I would like to say, in the quarter 2, there was increase both in volume, as well as the value.

So, that really shows our products are well accepted in the market. In this current scenario, where the prices are too high to even maintain the volume becomes a challenge. But we at Shanti Gold, because of the core competency, excellent craftsmanship, design innovations and all, we could maintain that top line for this Q2 and H1 period.

Moderator:

Thank you. Next question is from Surya Narayan from Sunidhi Securities. Please go ahead. Mr. Surya, please go ahead with your question.

Surya Narayan:

Congratulations. Good set of numbers. So, my question is pertaining to only volume. So, I'll limit my questions only to volume. So, is it possible to give the volumes of gold we did in the quarter 1 and quarter 2?

And secondly, what was the pre-money volume that we were doing? And what is the post-money we are having the inventory in hand? And that is overall of week, one of period cost, whether it is August, mid-August or end-August price? So, if you can throw some color on that.

Shriram Iyengar:

Yes, thank you so much, sir. Sir, coming to the first question, Q1, Q2, we did very well. Q2, there was a volume growth of 10% increase in the volume. We went from 386 to 427 kgs of gold. So, that was actually process that actually gives a number of 10% increase on a year-on-year basis. So, that speaks about the volume.

Now, the second question that you asked me about the pre-IPO and post-IPO infusion. Post-IPO, definitely the volume has increased. Through post-IPO equity infusion, we could add up nearly 230 kgs of ramp-up in the inventory.



Because of the festive season, that really helped us. Almost all the procurements were done at a low inventory cost price. So, that really helped us to ramp up the inventory coming at the right time, that is the festive occasion involved. So, pre-IPO, there was infusion in circulation around 400 kgs of gold. Post that, I think we are with 600 kgs of gold, post-infusion. 350 pre-IPO and post-IPO, around 600 kgs of gold.

Surya Narayan:

What is the total unsold inventory at the moment?

Shriram Iyengar:

As of 30th September, sir, we had unsold inventory of 371 kgs. And that was primarily because of the festive season, wedding season that was coming up. So, that really helped us to build up. Because of the timely entry, we could introduce, we can procure inventory at a low cost. We could roll out new designs. And it really set us well, set the ball rolling for the festive season.

And I can tell you, October was a fantastic month. Those inventory built up in the initial phase really helped us grow the volumes in October. And going forward in Q2, Q3 and Q4, the position looks far more better because normally the H2 has been far, far better than H1.

So, from that per se, the inventory ramp up in the month of September has really helped us to affect volume sales to our customers, especially during the festive season with the onset of festive season, wedding season coming on. We are well placed to scale it further, sir.

Surya Narayan:

So, what level the inventory, I mean, if you, let us say, understand the aging of the inventory, so is it, can we presume that the majority pertains to August end or maybe September beginning?

Shriram Iyengar:

Yes, sir. August and September beginning. That's right, sir. And that time if you see the rally also, sir, that was actually, that has really helped us.

Surya Narayan:

Okay. So, can you presume that up to maybe Q3 will be again, quite a wedding season heavy, so we can expect a good volume. So, can we expect that now up to December and we will be able to maybe adjust maximum of the inventory that is in hand or maybe?

Shriram Iyengar:

Absolutely, sir.. So, starting with October itself, sir, we have already made a good beginning. October, we had a fantastic sale, sir. So, that was, if I have to say year on year now, sir, October'24, there was INR102 crores of sales. This year, this October 25, we could register INR302 crores, that's effectively 300 kgs, sir.

So, 3x from last year, sir, on a year-on-year basis. So, that sets the ball rolling, that gives us that momentum that what we are expecting for H2 period. And historically also, sir, H2 has always been better than H1. So, we are very, very confident of reaching to our targeted turnover, sir.

Surya Narayan:

So, what would be last year? We did around 1724 kg of gold. So, what would be this year's understanding as of now?



Shriram Iyengar: Sir, this year, as of now, at H1, we have already registered in terms of volume 750 kgs of gold.

But yes, this year, approximately, we will be closing at 1,900 to 2,000 kgs of gold, sir.

Surya Narayan: 2,000 kgs?

Shriram Iyengar: In terms of volume.

Surya Narayan: Okay. So, for FY27, what would be our objective?

Shriram Iyengar: Sir, FY27, it is too early to say because there are too many market dynamics are involved and

so on. Yes, we are, as of now, we are pretty confident of the reaching turnover of, say, Rs.

2,000 Cr here for this fiscal year.

But going forward, historically, we have been growing at a CAGR of 40%, sir, which we should be able to maintain going forward also, sir. 40% to 50% growth, definitely, we see, we are confident of achieving, going ahead. At a CAGR, I am seeing CAGR growth of 40%, yes,

40% to 50%.

Surya Narayan: 40% volume CAGR or price CAGR, you are saying?

Shriram Iyengar: Sir, I am telling in terms of this thing, the price. In terms of value, I am saying it will be 40%

to 50%. So, effectively, if I have to just give a number without going too forward, if I am going to close at 2,000 this year, next year, maybe around INR2,800 crores to INR3000 crores,

we will achieve. INR3,000 crores looks more likely, sir, in terms of values.

Surya Narayan: And, sir, with the onboarding of new customers, so any hike in the credit period to customers

that will be leading to higher debtor days?

Shriram Iyengar: Sir, leading up to festive season, we definitely need to help our customers who also gives us a

volume growth. Secondly, there is also a trusted relationship. So, this talks about the existing

relations where we are going. As far as onboarding of the new customers are concerned, sir,

we are already working into that.

There are a couple of people who are there with whom we have been in discussion and we

definitely would like to close the deal very soon. But yes, for the new customers and all, we

will take some time because there needs to be a reference check, credit check, everything.

So, in case of new customers, the credit period will be comparatively low. But for the existing

customers, definitely we will help them with some additional credit periods to ramp up with the festival season and all. And also to add up to this, sir, we are also coming up, we are going

aggressively on the marketing front. We have appointed a new marketing head.

He will be looking after the pan India markets and all. So, this really pushes the growth momentum. So, we are looking, we are very, very bullish as far as the market is concerned.

We are having a good senior people appointed to look after the marketing needs and all. So,





yes, going forward for this fiscal and going ahead, we are very confident of onboarding many new clients in the process.

Surya Narayan:

On the B2C side, sir, with the rise in the prices, you know, maybe there will be reduction in the footfall and that could lead to reduction in the volume at our end. So, what is your understanding going forward if the price will be stabilizing at around maybe INR1 lakh to INR1.2 lakhs around? So, will it help or let's say if it rises further, then will it not affect our activity?

Shriram Iyengar:

Sir, honestly speaking, sir, this has been the case with the increase every time with the increase in price, we always talk about decrease in the footfalls and all. Now, we have been looking at the price rise. Actually, with the surging markets, the people take some time.

There is an impasse for a shorter level, but ultimately, they fall in line driven by the FOMO effect because fear of missing out. In the rising market, people take some time to reset, but eventually they fall in line, sir. And as far as, yes, when there is an increase in volume, increase in price, volume does get reduced.

But in terms of value, we are still able to maintain the top line and effectively our profit also gets maintained. In case prices fall, volume also gets increased. So, there is no issue on that point. Yes, there will always be a temporary impact. When the market is growing, there will be impact. People will take some time to get adjusted to the new normal, new height, but eventually, they fall in line. That has been the trend, sir, because of the fear of missing out in the rally.

Surya Narayan:

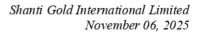
Just to understand, you have a product vis-a-vis a couple of peers listed in the market, I just don't want to name them. What are the differentials we have, like in terms of this artisan kind of product we make, whether the gold content for a piece or maybe for a total gross gram is lower in our case, which is leading to higher, maybe the margin. How we can, let's say, explain a little bit on that so that we can understand that your margins, why it is a little bit higher than that?

Shriram Iyengar:

Yes, sir. Basically, sir, we are mostly dealing in CZ-studded gold jewelry. That's number one. So, CZ-studded gold jewelry comes with its own design complexities, thinness, and, of course, the aesthetic look. So, that gives us the leverage for a better margin, sir. So, that's been the core product we have been dealing with in 22 KT of gold.

As I told you, there is a complexity in design, there is an aesthetic appeal to the customers, and people are very strongly, and, of course, the design part also plays a major role. So, our 90% of the sales has always been coming through 22 CZ. Design has always been our strength.

Every month we roll out new designs, sir. So, we are, and especially coming on the part, our bridal collection always receives a very, very favorable response or sentiment from the market. So, that really helps us to leverage on the high EBITDA margin as compared to the other





product mix in which there is a lower caratage or maybe plain gold where the margins are comparatively very high.

So, my USPs are design, craftsmanship, design complexity, and, of course, the finesse that 22 KT brings in, and bridal collection, bridal collection collects, demands a very high premium, sir. So, that helps us, that helps us to keep that margin level going up. EBITDA margin, most of the better part of the sales comes from bridal collection, and that really gives me bigger, bigger margin cushion, sir.

Moderator:

Thank you. Next question is from Vijay Chauhan from RH PMS. Please go ahead.

Vijay Chauhan:

Yes, thank you for the opportunity. So, first question is on the hedging side. What is the hedging policy that we are following, and any inventory gain that you observed or registered in this particular quarter?

Shriram Iyengar:

Yes, sir, at Shanti Gold, sir, we employ a natural hedging strategy, where we buy and sell at all levels and maintain the price equilibrium. That's been the mantra, that's what we have followed so far, and that has given us the best result so far.

As far as the inventory part is concerned, a significant portion of our inventory was procured at a very, very low price because of the timely launch of this IPO session and all, and from that, the gold rate has really, really moved up, and it also put us in a very, very comfortable position.

And as far as going forward, the current EBITDA margins, sir, just to add up to that question, the higher margin is purely, purely because of the two factors. One, because of the inventory markup, which is always in the range of 7% to 8%.

The rest of the 5%, 6% margin has actually come because of low inventory cost base, which we procured at an earlier period, and that really helped us to participate in the upward trend of the gold rally. So, this actually helped us having a better profit margin for this Q2 and H1 period. Going forward, we want to maintain this core margin, but we plan to hedge also.

As gold rate stabilizes, we plan to ramp up the invest, resort to inventory hedging mechanism, like GML and all, which maybe we are waiting because now, as the gold stabilizes, we will resort to more of a hedging this thing. But for this Q2 and H1, it really helped us because of the low inventory cost base, sir.

Vijay Chauhan:

Right, right. And so, if I ask, like, what is the average making trends on a blended basis that we chart, so that we get the idea how much is coming from the inventory appreciation side?

Shriram Iyengar:

So, inventory appreciation, sir, inventories are always valued at cost, sir, that's for sure. Now, as far as the, if you want to see the inventory appreciation part, now, sir, if you see my COGS, now, sir, COGS, it was always up to maybe historically, my COGS cost of goods was always





at 91, 92.5 and all. Now, as I told you, because of the lower, because of the lower inventory cost base and a higher point of sale, the gap, that big, why it, it actually widened the gap.

So, it helped us in having a big profit in the margin. So, if you want to see the inventory, you take at the COGS part, there is a big margin, my COGS has come down to 85%, previously, which used to be at 92%. So, that will give you a fair idea how far the inventory has moved and how, how low the inventory cost base was for us in this, Q2 and H1 period.

But going forward, as gold rate stabilizes, actually, the gap actually narrows down, there will not be much gain coming in terms of price movement. So, going forward, we will be just able to maintain the core EBITDA margin in the range of 7% to 8%, sir.

Okay, okay. So, the core EBITDA margin, which is sustainable, which is the, coming from the

designing, which will be 7% to 8%, right?

Shriram Iyengar: Yes, sir.

Vijay Chauhan:

Vijay Chauhan: Yes. And what is the capacity expansion plan you were mentioning and how do we plan to

ramp up in the phases? Can you please elaborate on that one?

Shriram Iyengar: Currently, at H1, we stand at 60% capacity equalization, sir. So, we still have a lot of capacity,

a lot of fuel left in the existing facility itself. Going forward, as I told you, we are coming with our upcoming plant, Jaipur plant, which will be commencing operations early next year.

So, that will add another 1.2 ton kgs of gold. So, capacity-wise, it is, we are very much there. And if, should the need arise, we can even increase it further because we have a three-acre plot of land and currently the construction is done only for 50,000 square feet. So, capacity-wise, we are well positioned, sir. And should the need arise to scale it up, we can do it in really,

really quick time, sir.

Vijay Chauhan: Right, right. And any new client addition that we are targeting or the target that we are setting

for the next year, maybe 2,000 kgs.

Shriram Iyengar: No, sir. As far as targeting is, sir, we are -- we have a very, very strong customer base in South

India, sir. That's for sure. And we continue to maintain that good hold as far as South India is concerned. In this quarter, we have penetrated more into the Western region, especially

Maharashtra. The sales percentage has really, really gone up.

And going forward, we are also trying to leverage in the northern part of the country,

especially the states like Haryana, Chandigarh and all. Yes, we do have a presence, but we

would like to penetrate more in those regions in, in the coming quarters.

Moderator: Thank you. Next question is from Raaj from Arjav Partners. Please go ahead.



Raaj: Sir, I have a doubt on the guidance given by you. So, for FY26, we are expecting INR1,900

crores to INR2,000 crores of sales?

Shriram Iyengar: Yes, sir. That's right.

Raaj: Okay. It's a figure, right? And not kilo?

Shriram Iyengar: Figure, yes. Yes, sir.

Raaj: It's a figure. And how much EBITDA are we expecting for the full year?

Shriram Iyengar: EBITDA, I told you, sir. Going forward, we will maintain our core EBITDA in the range of

7% to 8%, sir.

Raaj: I think the core EBITDA should start coming from Q3 onwards?

Shriram Iyengar: Yes, sir. Q3, Q4, most likely by Q4, sir. It will take some time even for the rate to stabilize, it

will take some time, sir. Still, even now, there is a good volatility at the moment. I will try to stabilize this. But as you rightly said, core margin will always be there. But in totality, if you

see, sir, by Q4, things should stabilize and we should fall in the line of 7% to 8%, sir.

Raaj: 7% to 8% eventually should come by Q4, right?

Shriram Iyengar: Yes, sir.

Raaj: And for FY27, are we expecting a sale of around INR2,800 crores to INR3,000 crores sales,

right?

Shriram Iyengar: Yes, sir.

Raaj: And doing core EBITDA of 7% to 8%?

Shriram Iyengar: Yes, sir.

Raaj: Okay. So how much of incremental sales are we expecting from the new plant in the first year

of operations?

Shriram Iyengar: Sir, in the first year of operations, we have a capacity of 1.2 tons. So as of, in the initial phase,

I think we will start with 300 kg, but eventually we will, we will get into 100% utilization by

the year end, sir.

Raaj: Okay, 100% by year end, okay. I think...

Shriram Iyengar: It also depends upon how the market turns up. Initially or in the first phase, as I told you, sir,

the plant will commence operation from May, June, early next year. So as things go up, as we



see, so eventually we want to go, but initially phase would be to get that first initial 300 kgs,

we will test the market, how it goes.

So once the first phase we successfully deliver on the first phase, going forward, we will definitely, because it's going to be a machine-made plant, so there will be a scale coming in,

sir. There will be a big sale coming in.

Raaj: Sales coming in, all right. So, sir, for looking at your core EBITDA, is it 7% to 8% from the

higher side? Because if I look at your peers, the core EBITDA is around 4% to 5% range. So

how come your core EBITDA is 2 to 3 percentage more?

Shriram Iyengar: Sir, it depends on the product mix and all, sir. If you see my historical figures, I have been, I

always have been, I hold around 6.5 to 7.5 and going forward, it was eventually went to 8%. It

also depends on the kind of product mix that each company has, sir.

I am totally into 22KT CZ straight, which comes on higher margin, and even this 22KT, my bridal collections, it involves heavy craftsmanship, heavy designs and all, which gives me that kind of a leverage over other peers, sir. So historically, we have been in that range of 6.5 to

7.5, so 7% to 8%, expect 7% to 8% is quite normal, sir.

Raaj: Okay. Sir, how much will be the average selling price of our ornament?

Shriram Iyengar: Sorry, sir.

Raaj: How much will be the average selling price of our products

Shriram Iyengar: Sir, average selling price, it always depends upon the current market trend, sir. In this industry,

it is always...

Raaj: I just wanted to understand the broad range.

Shriram Iyengar: Broad range INR90,000 to INR1 lakh, sir.

Raaj: INR90,000 to INR1 lakh. Okay. Okay. And are we doing other inventory stock up now? All

the inventory stock is ready now?

Shriram Iyengar: Come again, sir.

Moderator: Mr. Raaj, your voice is not clear.

Raaj: Am I audible now? Hello, can you hear me now?

Moderator: Yes, sir. Please go ahead.

Raaj: Sir, are we doing any stock up now?



Moderator: Mr. Raaj, I would request you to rejoin as you are not audible.

Raaj: Hello, now am I audible?

Shriram Iyengar: Yes, yes, you are audible, sir. Please go on.

Raaj: Yes. Sir, what I am asking is, are we doing any inventory stock ups now? The inventory stock

up has already been done.

Shriram Iyengar: Inventory stock up was already done, sir, in the month of August, September and all. It really

gave us good yield going forward. And now, as the demand goes, because October was the key month and which we did really, really well, sir, in the month of October itself, we touched a figure of INR300 crores, which on a year-on-year basis, which was three times the growth as

compared to the previous year.

So inventory built up was already done in the month of September and all. And going forward, as also the wedding season comes in, we will have to ramp up further inventory also because this H2, as I told you, has always, always been better than H1. So there will be, on occasions, the inventory ramp up needs to be done. But yes, for the larger chunk of the inventory, ramp

up has already been done by the, by the end of September, sir.

Raaj: Understood. Because why I am asking is because if the gold price comes down, and you have

done inventory stock up. Hello.

Moderator: Sir, I would request you to rejoin for a follow-up.

Raaj: Okay, thank you.

Moderator: Thank you. Next question is from Aniket Madhwani from StepTrade Capital. Please go ahead.

Mr. Aniket, you may proceed with your question. Since there is no response from Mr. Aniket, we would proceed from the next, to the next question, which is from Harshit Sachdeva from

Columbus Capital. Please go ahead.

Moderator: Mr. Harshit, I would request you to be more loud.

Shriram Iyengar: Sorry, you are not audible, sir.

Moderator: Mr. Harshit. Sorry for interrupting. Mr. Harshit, your voice is not clear. We would proceed

with the next question from Sachin from MC Research. Please go ahead.

Sachin: Yes. Hi, sir. I have two questions. First one being on the volume side. So, the numbers that we

report, this includes the 24-carat gold, 22-carat gold, 18-carat gold, right?

Shriram Iyengar: Right, sir.



Sachin: So, the blended realization will actually depend on the mix of the absolute number that you're

reporting, right?

Shriram Iyengar: Right.

Sachin: So, if it's in 14-carat gold, the realization will be much lower, and then if it's a 22-carat gold,

the realization will be much higher.

Shriram Iyengar: Yes

Sachin: Okay. And the second question I had was basically on the inventory that you're holding. So,

what is the average price of the inventory that you're holding at this point of time?

Shriram Iyengar: The average price is close to INR1 lakh, or something. So, it still gives me a good enough

cushion, sir.

Sachin: Right. Got it. Okay. Sure. Thank you.

Shriram Iyengar: So, that's the reason with that lower cost inventory basically allowed me to participate in the

upward rally, sir.

Sachin: Right. Right. Got it. Thank you.

Moderator: Thank you. We have Aniket Madhwani from StepTrade Capital. Please go ahead. Mr. Aniket,

please go ahead with your question.

Aniket Madhwani: Yes. So, my question is, as you mentioned...

Moderator: I'm sorry for interrupting. Your voice is not clear.

Aniket Madhwani: Hello. Can you hear me?

Moderator: So much better now.

Aniket Madhwani: Yes. So, as you mentioned, current capacity utilization stands around 60%, right? So, and

you're adding over 1,200 kgs of...

Shriram Iyengar: Next year, yes.

Aniket Madhwani: Yes. So, for that capacity addition, do you have any LOIs or orders?

Shriram Iyengar: Capacity addition, that plot was taken long back, sir. The structure is already. The interior

works and furniture works are going on. So, by early, as I told you, sir, by April, May, this plant should commence its operation. So, we have everything, all the paperwork done already. So, it's just a matter of time before we start rolling that plant or commence the operation from

there, sir.



Aniket Madhwani: Okay. And we are expecting it from May, June, right?

Shriram Iyengar: Yes, sir. May, June. That's right.

Aniket Madhwani: To commission. And as you mentioned, 40%-50% CAGR, you're projecting

Shriram Iyengar: Yes. Yes. Correct. Absolutely. In the next coming years, at a CAGR of 40%-50%, we are very

confident of reaching the new turnover target, sales turnover end also. Historically, we have

grown at that pace. So, there is no challenge of growing at the 40%-50% CAGR.

Aniket Madhwani: Okay. And can you please bifurcate the current capacity? I mean, 2,700 kg capacity you have,

right? From that, what amount is for man-made and machine-made?

Shriram Iyengar: As of now, sir, it is largely man-made. But it is a mix of both, sir. And this 2,700 is coming

from our Mumbai facility. There is a man-made design also. And in fact, we also have a CAD

team and all. Through computer-made CAD designs and all, we also make machine-made

models also.

It's a mix of that. So, it depends upon the demand that we get it. And we are comfortable in

doing both the categories, sir. But going forward in Jaipur plant, we propose to have machinemade jewellery over there, sir. As of now, there is a mix of both at this facility. But going

ahead, there will be more of a machine-made jewellery at our Jaipur plant.

Aniket Madhwani: So, you don't have the bifurcation, I mean, in terms of the percentage wise?

Shriram Iyengar: No, sir.

Aniket Madhwani: At the current capacity?

Shriram Iyengar: No.

Moderator: Thank you. Next question is from Amit Agicha HG Hawa. Please go ahead.

Amit Agicha: Thank you for the opportunity. Sir, what is the total number of stores that we already have like

the way we sell in India?

Shriram Iyengar: Sir, we do B2B. We don't have any stores. The major chunk of the sales get routed to B2B,

large retail chains and the wholesalers. We definitely we have offices, branch offices at 10 states across South, West and all. So, we don't have any stores on our program. It's purely

B2B, sir.

Amit Agicha: Sir, since it's the first con call, like, can you brief a little bit about the background of your

promoter yourself and the people like who are in the Board?

Shriram Iyengar: Yes, sir. Our promoters, Pankaj Jagawat and Mr. Manoj Jain. They are the first generation

entrepreneurs. They have been in the industry for more than two decades. They bring with





Shriram Iyengar:

them a legacy of 20 plus years of experience deep inside into the industry. So, they have seen it. They have a very deep understanding of the markets and all.

And they have successfully run this company for the last maybe 20 plus years, sir, because the company was launched in the year 2003. And they both have managed well. Pankaj looks more on the marketing, finance and strategy point of view. Manoj brings about his own collections of designs, looking after the admin part and all.

So, both gel well together. They have better coordination. They have better, I would say, better access to the market conditions. They know well. They have seen it all. And they are doing it every time, time and again, sir.

As far as the management is concerned, sir, I have been associated with this company for the last 13 years and all. I myself had 25 years of experience in the industry. I have seen the price go from INR4 lakh to, say, more than INR1 crores. That speaks about enough experience with the management team also. Anything else, sir, that you would like to know?

Amit Agicha: No, sir. We would like to actually meet and visit the plant once, actually, to know better.

Yes, sir. Please, you are all invited. You are welcome to come and meet us in person also, sir.

Over the phone, I cannot give you the full history, geography, but you are welcome to our

plant anytime, sir.

Moderator: Thank you. Next question is from Jignesh from Jiva Capital. Please go ahead.

Jignesh: So, to understand that since our business is B2B, so we supply to how much of the total sales is

to top kind of jewelers in India or maybe even UAE?

Shriram Iyengar: Sir, all the top customers you name, sir, whether it is Kalyan, Joy, Lalithaa, Alukkas, you name

all the top retail chains, they are all our customers, sir.

Jignesh: Okay. So, they form 30%-40% part of that total sales?

Shriram Iyengar: Yes, sir. 45%, sir.

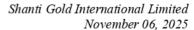
Jignesh: Okay. So, sir, just to understand that our competitors who are also supplying them, they are

also expanded and their run rate EBITDA is also around 4% to 5%. So, sir, what is that difference in kind of design for how we'll be able to generate 7% to 8% run rate EBITDA

going forward?

We understand that this last 3 to 4 months was a one-off situation, but what is -- because all our competitors are making 4% to 5% EBITDA, then why we will be able to reach around 7%

to 8%? This is my question.





Shriram Iyengar:

Yes, sir. I think I already addressed this concern, sir. We cater to 22KT CZ studded jewelry. This section commands design complexity. It comes with the finesseand it also has an aesthetic appeal, sir. So, this all, you know, combines together to give us a better EBITDA margin.

As far as the competitors, I won't go there, sir. That's not my space to go there, but I would just to give a brief. If it is a plain jewelry or other kind of stuff, it won't command that kind of a margin, but ours does, especially, as I told earlier also, my bridal collection gives me a very, very high margin, sir. So, that leverage, that gives me better leverage over the other competitors.

Jignesh:

Right. And one historical question, like suppose we were at INR400 crores in March 2022, our sales, and from there we aspire to reach around INR1,900 crores in March '26. So, all this, has there been any expansion in last 4 years or because of lower capacity utilization earlier? Now we are reaching peak capacity utilization. Apart from the gold price growth.

Shriram Iyengar:

So, over a period of time, sir, as things change, we also change, sir. Earlier, yes, there was a capacity restraint also, but going ahead, going forward, we, you can also see from the flow, our Investor Day presentation, we have ramped up our infrastructure more in existing Mumbai facility. We also come up with a new plant at Jaipur and all.

So, over a period, things have changed. We have evolved, market has evolved, and that has really added up. Hence, yes, more importantly, sir, you also need to understand this is a working capital intensive industry. Capital also plays a very, very important part. So, capital constraint also plays a key role in expansion.

So, now with the IPO launch, successful launch of the IPO money, we are getting access to the capital. We are further doing it well and we will further leverage on this kind of activity because in terms of infrastructure, in terms of capacity, we have really positioned ourselves well to scale it up further.

Moderator:

Thank you very much. Ladies and gentlemen, we will take that as a last question for the day. I would now like to hand over the conference to management for closing comments.

Pankajkumar Jagawat:

Thank you, everyone, for participating in this earning call of Shanti Gold International Limited. I hope we have been able to address most of your queries. However, if there is anything missed out on any question, kindly reach out to Smit Shah from Adfactors PR and he will connect with you and give further information as may be required. Looking forward to interacting with you all in the coming quarters. Thanking you again for your time. Thank you. Thank you very much. On behalf of Shanti Gold International Limited, that concludes this

Moderator:

conference call. Thank you for joining us. You may now disconnect your lines.

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