SHANTI GOLD International Ltd.
CIN: L74999MH2013PLC249748

Date: January 24, 2026

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

Dear Sir/ Madam,

Subject: Credit Rating
Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ('Listing Regulations')

This is to inform that CARE Ratings Limited ("CARE") has issued Credit Rating for Company's bank facilities as below:

Facilities	Amount (₹ crore)	Rating	Rating Action
Long Term Bank Facilities	2.53	CARE A-; Stable	Assigned
Long Term / Short Term Bank Facilities	221.00	CARE A-; Stable / CARE A2+	Assigned

The Press Release detailing the rationale and instruments/facility-wise rating action is enclosed herewith and can be accessed at:
https://www.careratings.com/upload/CompanyFiles/PR/202601140146_Shanti_Gold_International_Limited.pdf

We request you to take the same on record.
Thanking you,

For Shanti Gold International Limited
Vrushti Parag Shah
Digitally signed by Vrushti Parag Shah
Date: 2026.01.24 13:37:05 +05'30'
Vrushti Shah
Company Secretary & Compliance Officer

Shanti Gold International Limited

January 23, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	2.53	CARE A-; Stable	Assigned
Long Term / Short Term Bank Facilities	221.00	CARE A-; Stable / CARE A2+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The ratings assigned to bank facilities of Shanti Gold International Limited derives strength from extensive experience of promoters in the gold jewellery industry, diversified clientele base, comfortable capital structure and debt coverage indicators, growing scale of operations with moderate profitability and adequate liquidity.

The ratings, however, remains constrained on the back of working capital-intensive nature of business, profitability susceptible to volatile gold prices and presence in a highly competitive market.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Volume driven growth in scale of operations marked by total operating income above Rs. 3000 crore while maintaining PBILDT margin above 8%.
- Improvement of debt coverage indicators marked by Total debt/ PBILDT below unity along with augmentation of networth base over Rs. 1000 crore

Negative factors

- Volume drive decline in scale of operation marked by total operating income below Rs. 1200 crore or significant moderation in profitability with PBILDT below 6%.
- Any debt funded capex or increase in working capital intensity leading to deterioration of debt coverage indicators, marked by Total debt/PBILDT above 2x on sustained basis.

Analytical approach: Standalone

Outlook: Stable

The stable outlook reflects CARE Ratings Limited (CareEdge Ratings)' expectations that the company will continue maintaining a comfortable financial risk profile in the medium term and benefiting from its established operational track record and experience of promoters that will aid growth in its operations.

Detailed description of key rating drivers:

Key strengths

Extensive experience of promoters in industry

The company is promoted by Mr. Pankajkumar H. Jagawat, Mr. Manojkumar N. Jain, and Mr. Shashank Jagawat, collectively having over two decades of experience in the gold jewellery industry. Their long-standing involvement and relationships with suppliers and customers provide insight on domestic retail jewellery market.

Diversified clientele base

The company has diversified client base with top 10 customers contributing 30-40% of its TOI in past two years ended FY25. Furthermore, few of these clients are reputed jewellery retailers having a national presence and a long-term association with the company. This provides stability to its operations, though the company remains exposed to counter party risk associated with small sized regional players.

Comfortable financial risk profile with augmentation of networth base through IPO proceeds

The capital structure remains comfortable, with low leverage marked by an overall gearing of 0.32x as on H1FY26 end (1.62x at FY25 end). Total debt declined to ₹175.14 crore as on H1FY26 end from ₹243.40 crore in FY25 end, supported by a sharp increase in net worth to ₹541.95 crore following funds received on listing.

The company completed its initial public offering in July 2025, raising funds to the tune of ₹309 crore. Out of these proceeds, amount of Rs. 46.30 crore is proposed to be utilized towards capacity expansion, Rs. 17.00 crore were utilized towards

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

prepayments, Rs. 200.00 crore were utilized towards working capital requirement and balance towards general corporate purposes.
Debt coverage indicators remain comfortable, reflected in PBILDT interest coverage of 10.86x in H1FY26 (4.81x in FY25) and total debt to PBILDT of 1.22x in H1FY26 (4.04x in FY25), providing adequate headroom for debt servicing and future growth, with no major debt funded capex planned.

Growth in scale of operations with moderate profitability
Company's total operating income grew by CAGR ~31% in the past five years to ₹1,107.1 crore in FY25 (₹711.9 crore in FY24). In FY25, the company registered ~23% y-o-y sales volume growth, and significant increase in gold prices resulting in ~55% growth in its TOI. The growth momentum continued in H1FY26, with revenue of ₹722.9 crore, and continued growth in sales volume and increased gold prices. CareEdge Ratings expects the company to achieve TOI over ₹1,800 crore in FY26. Scale of operations however remain moderate.
Profitability remained healthy, with profit before interest, lease rentals, depreciation, and taxation (PBILDT) increasing to ₹92.4 crore in FY25 (margin of 8.3%) from ₹50.5 crore in FY24 (7.1%), and further strengthening in H1FY26 to ₹102.9 crore, translating into robust PBILDT margin of ~14.2%, largely supported by operating leverage and inventory gain in the sharp rise in gold prices. With augmentation of manufacturing capacity, the topline is expected to grow further; sustenance of this remains to be seen.
The company is setting up a manufacturing facility in Jaipur, Rajasthan, expected to be operational from Q2FY27, focused on plain gold jewellery production. The capex will enhance production capacity by 1,200 kg per annum and support future revenue growth. The total cost of the project is ~₹46 crore proposed to be funded through IPO proceeds.

Key weaknesses
Working capital intensive nature of business
The business is inherently working capital intensive due to the need to maintain sizeable jewellery inventory (comprising over 90% of its total inventory holding; balance being in the form of gold bar) and to extend credit to customers. This is reflected in a relatively long operating cycle of ~90 days in FY25, driven mainly by inventory holding of ~49 days and receivables of ~42 days, resulting in significant reliance on working capital borrowings to support scale-up in operations. During H1FY26, the company increased its inventory holding sizeably, primarily backed by funds received through IPO. The increased holding was on account of higher demand expected in H2 with onset of wedding and festive season. Consequently, the inventory holding period increased to ~73 days and is expected to remain in similar range in the projected period.

Profitability susceptible to volatility in gold prices and intense competition limits pricing flexibility
A high inventory of unhedged gold jewellery exposes the company's profitability to gold price volatility, though it follows a policy of daily gold replenishment. Considering the same, the company's ability to improve its inventory turnover remains crucial from credit perspective.
Also, the company faces intense competition from other players in the jewellery manufacturing industry, which remains largely unorganised, limiting pricing flexibility.

Liquidity: Adequate
Liquidity is adequate, supported by healthy cash accruals and limited reliance on term debt. Repayment obligations are modest, at around ₹2 crore, against envisaged gross cash accruals of ~₹150 crore, providing comfortable coverage. However, with sizeable growth in scale in FY25, the cash flow from operations remained negative at around Rs. 42 crore during the year. Consequently, fund-based limits remained utilized at ~85% on an average basis over the past 12 months ending November 2025. The company had unencumbered cash and bank balance of around Rs. 14 crore as on March 31, 2025.

Applicable criteria
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Durables	Consumer Durables	Gems, Jewellery And Watches

Shanti Gold International Limited is a gold jewellery manufacturer specialising in 22-karat CZ-studded jewellery, primarily catering to B2B customers. The company operates an integrated manufacturing setup at Andheri, Mumbai with an installed capacity of ~2,700 kg per annum. The company is setting up a Jaipur manufacturing facility, expected to be operational from Q2FY27, focused on plain gold jewellery production. The capex will enhance production capacity by 1200 kgs per annum and support future revenue growth.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (UA)
Total operating income	711.95	1,107.10	722.85
PBILDT*	50.51	92.36	102.86
Profit after tax (PAT)	26.87	55.84	68.46
Overall gearing (x)	2.18	1.62	0.32
Interest coverage (x)	3.54	4.81	10.86

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based/Non-fund-based-LT/ST		-	-	-	221.00	CARE A-; Stable / CARE A2+
Term Loan-Long Term		-	-	30-04-2028	2.53	CARE A-; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based/Non-fund-based-LT/ST	LT/ST	221.00	CARE A-; Stable				

				/ CARE A2+				
2	Term Loan-Long Term	LT	2.53	CARE A-; Stable				

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based/Non-fund-based-LT/ST	Simple
2	Term Loan-Long Term	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact Us

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About us:

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