Date: 7th November, 2026

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: SHRINGARMS**	To, Listing/Compliance Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 **BSE Scrip Code: 544512**

Dear Sir/ Madam,

Subject: Q2 & Half year ended 30th September, 2026 for the FY26 - 27 Earnings Call - Transcript
Ref: Regulation 30 & 46(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

With reference to our intimation filed on 28th October, 2026, please find enclosed the transcript of the Q2 & half year ended 30th September, 2026 for the FY 26 -27 Earnings Call held on Thursday, 05th November, 2026 at 03:00 P.M. (IST) for the quarter and half year ended 30th September, 2026.

This intimation is also being uploaded on the Company's website at www.shringar.ms

We request you to take the same on record.

Thanking you

Your Faithfully,
For **Shringar House of Mangalsutra Limited**

RACHIT SANJAY SINHA
Digitally signed by RACHIT SANJAY SINHA
Date: 2026.11.07 17:33:34 +05'30'

Rachit S Sinha
Company Secretary and Compliance Officer
Membership No A64256
Address: Unit No. B-1, Lower Ground Floor,
Jewel World (Cotton Exch Bldg),
175, Kalbadevi Rd, Bhuleshwar,
Mumbai – 400 002, Maharashtra, India

“Shringar House of Mangalsutra Limited

Q2 & H1 FY '27 Earnings Conference Call”

November 05, 2026

MANAGEMENT: **MR. CHETAN THADESHWAR – CHAIRMAN AND MANAGING DIRECTOR – SHRINGAR HOUSE OF MANGALSUTRA LIMITED**
MR. VIRAJ THADESHWAR – EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER – SHRINGAR HOUSE OF MANGALSUTRA LIMITED
MR. RITESH DOSHI – CHIEF FINANCIAL OFFICER – SHRINGAR HOUSE OF MANGALSUTRA LIMITED
MR. RACHIT SINHA – COMPANY SECRETARY – SHRINGAR HOUSE OF MANGALSUTRA LIMITED

MODERATOR: **MS. PRADNYA SINGH – MUFG INTIME**

Moderator: Ladies and gentlemen, good day and welcome to Q2 and H1 FY27 Earnings Conference Call of Shringar House of Mangalsutra Limited hosted by MUFG Intime. As a reminder, all participants will be in a listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone.

Please note that this conference is being recorded. I would now hand the conference over to Ms. Pradnya Singh from MUFG Intime. Thank you, and over to you, ma'am.

Pradnya Singh: Thank you. Good afternoon, everyone. And welcome to the Q2 and H1 FY27 Earnings Conference Call of Shringar House of Mangalsutra Limited. A short disclaimer before we start this call. This call may contain certain forward-looking statements based on the company's current beliefs, opinions, and expectations. These statements are not guarantee of future performance and involve unforeseen risks and uncertainties.

With that, I would like to hand this call over to Chetan Thadeshwar, Chairman and Managing Director, for his opening remarks. Thank you, and over to you, sir.

Chetan Thadeshwar: Good afternoon, everyone. And thank you for joining Q2 and H1 FY27 earning con call. I am joined by Mr. Viraj Thadeshwar, our CEO and Mr. Ritesh Doshi, our CFO and Mr. Rachit Sinha, the Company Secretary. I hope everyone had a chance to go through results and investor presentation that has been uploaded on stock exchanges and company website. We are pleased to report a strong performance during first half of FY27.

With revenue and profitability registering healthy growth, this performance reflect the progress made by the company over the previous year and provides a strong foundation as we move into the second half of the financial year. September was an important milestone for us as we completed one year since our listing on the stock exchanges. It has been a meaningful journey for the company. And over the past years, we have continued to focus on strengthening our business, building deeper customer relationships, and creating a strong foundation for future growth.

We would like to thank all our investors, customers, and business partners for the continued trust and support. Coming to the industry, the demand environment remains encouraging, particularly with the festive and wedding season underway. We are also seeing growing preferences for organized and branded jewellery, while volatility and uncertainty in gold price have made consumers more cautious about their spending.

The demand for the lightweight jewellery, contemporary design, and affordable products continues to create opportunities. Mangalsutras, being an important part of Indian tradition, continue to enjoy strong relevance while consumer preference around design and styling are evolving. At Shringar, we continued to focus on offering designs that meet the changing needs of our customers.

During the quarter, we remain focused on our customer relationships, expanding our product offering, and improving our execution capabilities. We are also happy to share that our entry into Bridal jewellery segment has received encouraging traction. This is an important step for us

as it allows us to cater to a wider range of customers' requirements and explore new growth opportunities by leveraging our existing design and manufacturing strengths.

We are also delighted to share that the company was honored with the Mangalsutra Manufacturer of the Year Award at the India International jewellery Awards. The recognition is testament to our designs, capabilities, manufacturing expertise, and the dedication of our entire team. It further reinforce our commitment to delivering quality products and strenthening our position in the jewellery manufacturing industry.

Going forward, we will continue to focus on strengthening our market presence, expanding our customer base and introducing new designs across our product categories. We are particularly excited about the opportunities in the Bridal segment and will continue to build this business in a measured and sustainable manner.

Overall, we remain positive about the opportunities ahead and committed to delivering consistent growth and long-term value for our shareholders.

With this I now conclude my remarks and hand over the call to our CEO, Mr. Viraj Thadeshwar, who will delve into the business performance. Over to you, Viraj.

Viraj Thadeshwar: Thank you, sir. Good afternoon, everyone. I will now provide you with business performance of the company. As part of our long-term expansion strategy, we are in the process of setting up a wholly-owned subsidiary to expand our presence across the broader jewellery value chain. The proposed subsidiary will have a diversified business mandate covering the manufacturing, designing, trading, and distribution of jewellery and accessories across categories, such as gold, silver, diamond, precious and semi-precious stones, and other materials.

It will also enable us to explore opportunities across both B2B and B2C channels, including physical retail formats and digital platforms. We see this as an important step towards diversifying our business, accessing new customer segments, and creating additional avenues for growth.

Looking at our performance over the last 2 years, we have delivered a strong growth trajectory with revenue growth at a CAGR of approximately 41% and profit after- tax growth at a CAGR of approximately 49% between H1 FY25 and H1 FY27. This growth reflects the progress we have made in strengthening our business, expanding our customer relationships, and scaling our operations. We remain focused on building on this momentum and creating sustainable long-term growth opportunities.

On the geographical front, we are actively expanding our presence across high-potential markets where organized jewellery retail is gaining traction. Our efforts are directed towards strengthening our distribution and service network, improving customer reach, and building deeper relationships with retail partners. This wider geographical presence will help us tap into emerging demand centers and create a stronger foundation for sustainable business growth.

Overall, our focus remains on expanding our product portfolio, strengthening manufacturing capabilities, entering new markets, and developing additional growth opportunities. We believe

these initiatives, supported by our established customer relationships and execution capabilities will help us strengthen our market position and deliver sustainable growth over the coming years.

With this, I now end my remarks and hand over the call to our CFO, Mr. Ritesh Doshi, for financial performance.

Ritesh Doshi: Thank you, Viraj ji. Good afternoon, everyone. I will now walk you through the company's financial performance. Starting with quarterly highlights, revenue from operations stood at INR818.7 crores, registering the Y-o-Y growth of 54.8%. Sales volume for the quarter stood at 577 kgs, up by 10% Y-o-Y.

Gross profit for the quarter at INR68 crores, an increase of 53.1% Y-o-Y. EBITDA for the quarter stood at INR54.9 crores, a 68.7% growth Y-o-Y, while EBITDA margin stood at 6.7%, a growth of 50 bps. PAT stood at INR39.5 crores, up by 73.2% Y-o-Y. PAT margin at 4.8%.

Moving to half-yearly highlights. Revenue from operations stood at INR1,367.2 crores, registering a Y-o-Y growth of 58.7%. Sales volume for the H1 stood at 968 kgs, up by 10% Y-o-Y. Gross profit for the H1 financial year '27 at INR125 crores, an increase of 34.5% Y-o-Y. EBITDA stood at INR103.9 crores, a 40.8% growth Y-o-Y, while EBITDA margin stood at 7.6%. PAT for the first half year H1 financial '27 stood at INR73.5 crores, up by 43.1% Y-o-Y. PAT margin at 5.4%.

As we move forward, we remain confident in the opportunities ahead and committed to build on the progress achieved so far. We look forward to continue this journey with the support of our customers, partners, and shareholders.

With this, I now conclude my speech and open to the forum for Q&A sessions.

Moderator: Thank you very much. The first question is from the line of Andrey Purushottam from Cogito LLP. Please go ahead.

Andrey Purushottam: Thank you for taking my question. First of all, congratulations for a great set of results. And this is the result of great teamwork and an excellent execution by you. I had two questions. One was that I was very encouraged by the reduction of negative cash flow to almost negligible levels this quarter. So how should we look at this in the next coming quarters? Would you think that you will be able to further improve on this- and what is your target or guidance that you can give on your cash flow as well?

Management: Limited cash flow management is our top priority today. To grow the business, our first step was to streamline and improve our cash flow cycle, and we are actively working on it. As you have seen, we have reached around 51% business share with major corporate chain stores in India, such as Titan and others. Our primary focus now is to increase our business with these corporate clients.

By doing so, we are targeting to scale our corporate business share from 51% to 65% in the coming days. The simple reason is that with corporates, the system, payments, and order cycles are much more efficient inventory turnaround is minimized, and payments are realized much

faster. This will improve our business rolling cycle by at least 1.5 times. Without this, achieving rapid growth was difficult.

Since 1963, we have worked across India from Jammu to Kanyakumari with single independent stores as well. While the ratio during the IPO was only 35% with corporates, today we are at 51% and are moving toward 65%. This will make our cash flows much stronger and better.

Andrey Purushottam: Yes, this is very good to hear, sir. My second question was that Viraj mentioned in his opening comments that you are setting up a subsidiary to expand beyond gold into diamond and precious stones. Secondly, you mentioned exploring B2C channels. When we last spoke, you indicated you were not looking at B2C. Has there been a change in thinking, what is the reason, and will entering B2C create any conflict or competition with your existing B2B customers? Could you please clarify?

Management: No, sir. First of all, we will not launch any products in B2C that conflict with our existing B2B business. Gold prices are currently stable, but analysis suggests prices may rise in the future. The new generation and youth in India want affordable designer jewelry. For instance, we do not currently do 9-karat jewelry or lab-grown diamonds for our corporate clients.

Everyday lightweight wear priced around INR50,000, which we do not supply in B2B, will be manufactured through a separate unit. This subsidiary will handle other metals like silver and platinum,especially silver, which we believe has immense potential as the next gold. To increase profitability and cater to youth and women looking for affordable jewelry where traditional heavy Mangalsutra costing INR14,000 to INR15,000 per tola may be too heavy.

We want to offer lightweight options priced around INR2,000 to INR2,500. Since we were not doing 9-karat, CVD, or real diamonds previously, this new segment can target both B2B and online B2C channels. This mindset ensures our legacy B2B business remains undisturbed while we drive profitability and growth.

Andrey Purushottam: So you are saying that this B2C business will be largely online?

Management: We have evaluated both online and offline models, but initially, we will start with online. We have conceptualized unique designs through our designers that Indian consumers haven't seen before, and we may sell these primarily online. Keeping it open for both B2C and B2B acts as an additional profit backup. Creating this new segment is essential to achieve accelerated growth over the next one to two years.

Andrey Purushottam: Okay. May I ask one more question? You mentioned gold prices are likely to rise. If prices increase over the next two quarters, what impact will it have on your profitability?

Management: If gold prices increase, our profitability actually improves. The reason is that we charge on a percentage basis. If I charge 6% on a product worth INR1,00,000, I earn INR6,000. If that same product becomes worth INR1,50,000, manufacturing it earns me INR9,000. Conversely, if gold prices drop, sales volume increases drastically. Fortunately, I am very happy to share that alongside rising gold prices, our sales volumes have not only remained intact but have also increased.

Andrey Purushottam: Right. Thank you. I will rejoin the queue for further questions if time permits. Thank you very much.

Management: Thank you so much.

Moderator: Thank you. The next question is from the line of Vinay Nadkarni from Hathway Investments Private Limited. Please go ahead.

Vinay Nadkarni: Yes, thank you. Sir, I wanted to ask about your bridal jewelry. What were the sales for the bridal jewelry segment in Q2 and H1? And regarding mangalsutras could you provide a breakdown of these sales, specifically how much is attributed to mangalsutras versus bridal jewelry?

Management: Certainly, sir. We are currently working with two models: outright and advance gold. In the 'advance gold' model, the value of the gold itself is not reflected in the top-line revenue; only the labor charges are included. I am also pleased to share that in this new segment, we have already established tie-ups with three or four companies. We have been dealing in mangalsutras for the past 60 years, and in just the last six months, bridal jewelry has grown to account for approximately 10% of our business. This share is expected to continue growing; in fact, within two to two-and-a-half years, it could potentially reach a level comparable to our core business.

Vinay Nadkarni: Okay. So around 10% of your sale is coming from bridal jewelry for Q2 as well as in H1?

Management: In terms of volume. I mentioned that we have two types of business models. One is an outright sale, and the other is a labor job arrangement, for instance, companies like Titan provide the gold in advance.

Vinay Nadkarni: Yes I understand.

Management: So, within our entire manufacturing operations, the bridal jewellery segment accounts for approximately 10%.

Vinay Nadkarni: So, if I look at the sales figure of INR819 crores for quarter 2, how much does the bridal jewellery segment contribute to that in terms of value?

Management: I have provided the data in terms of volume. If you need it in terms of value, I can calculate and provide that separately. But we think in both the modules we are earning almost the same. So, this top line is based solely on sales. The portion related to labour charges cannot be included in our top line, because it involves a gold-for-gold exchange there is no actual monetary conversion involved.

And if we have already reached 10% within just six months, then we will continue to grow further. When we operate a unit, our primary focus is on the number of mangalsutras and bridal pieces produced. Whether these are categorized under sales or labor is not a major concern for the company. Naturally, sales will increase gradually over time. However, if you specifically want to know the figure for the 'top line' we can certainly extract and provide that separately,

Vinay Nadkarni: Okay I will take it later on. And secondly, sir regarding this job-work business of yours, is it exclusively with Tanishq, or have any other clients been added to the mix?

Management: No, Tanishq's business is currently 100% based on job work. Companies like Malabar, for instance, operate differently depending on the circumstances, sometimes through job work, and at other times through outright purchases, as it depends on gold price fluctuations. In the retail segment, consumers often bring in old gold or pay cash to purchase new gold.

When the quantity of old gold accumulates in a showroom, it is sent for refining and converted into gold bars, which are then handed over to us for manufacturing. This process can occur within a single store or across a chain of stores. Essentially, it is a recycling-based model where gold enters the showrooms, for example, a customer might bring in an old mangalsutra to exchange it for a new piece, paying only the labor charges for the new item.

The old gold collected is sent to authorized refineries, processed into bars, and then delivered to us. This value is not reflected in the 'top line' (total revenue). If I were to include the value of the gold processed under these job-work arrangements in the top line, the figures would be significantly higher.

Vinay Nadkarni: Yes, I understand that. So, does this mean that because of this old gold, you will never be able to go for a 100% outright sale, correct?

Management: Both the ways.

Vinay Nadkarni: Even if Tanishq converts into full outright sale, which they are saying you are negotiating. Even if that happens, will this old gold conversion process still continue?

Management: Let's look at an example. If the price of gold were to reach, say, $5,000 US dollars per ounce, which translates to roughly INR1,70,000 to INR1,80,000, customers looking to purchase 100 grams of gold might choose to bring in 60 grams of their existing gold and pay for only the remaining 40 grams. The transaction is based on the customer's convenience and specific requirements. Therefore, this is a recycling business.

Many jewellers follow the practice of selling the old gold collected from customers in the market and realising the corresponding amount. Some jewellers do not follow this practice. However, this is a legitimate business requirement for the majority of players.

As Shringar, I can say only one thing, you provide me with gold in advance, whether you purchase it through outright or through any another arrangement. My percentage-based arrangement is connected to the shringar model.

So, irrespective of the mode of business, the only difference is that an increase in job-work quantity affects the topline. However, if we look at it from a volume perspective, volumes continue to grow.

In fact, our PAT is also not impacted by this, because we can earn money through both business models.

Vinay Nadkarni: So the second point was about your volume growth. I just wanted to repeat that: 575 kgs volume sold in Q2, around 10% growth year-over-year, and 968 kgs sold in H1, 10% year-over-year, correct?

Management: Yes.

Vinay Nadkarni: Okay. What is your current inventory of gold and how much of it is unhedged?

Management: Right now we keep at least 30% plus hedged inventory. Minimum is 30%, minimum 30% plus we keep hedged. Approximately 400 kgs is our inventory, 400 kgs.

Vinay Nadkarni: Okay. And 30% hedge plus your gold loan and everything combined, what will be the total hedge percentage?

Management: Combining 30%, it is all 100 kgs. Within that, see, there are two modes of hedging for us: one is the gold metal loan and another is hedging on MCX. So if we count advanced gold as well, advanced gold is a hedge only, because advanced gold comes in and we complete the production and deliver it, so the business keeps growing. We never face rate fluctuations or impacts because it is like 100 grams of gold comes in, 100 grams of gold is manufactured and delivered. So those portions basically remain in the hedge. Thus, we maintain a hedge in the range of 30% to 35%.

Vinay Nadkarni: Okay. And if I look at your additional working capital, from the cash flow statement and balance sheet provided, approximately in the last 6 months, INR152 crores of additional working capital came in. Around 49 crores increase in inventory, around INR121 crores increase in trade receivables, and payables decreased by INR18 crores, so INR152 crores of additional working capital came in on roughly INR1,357 crores of sales. So, I mean, is there any possibility of reducing this working capital going forward? Because this really consumed a lot of your cash flow.

Management: That is precisely the point, to make the cash flow positive. For that, there are just two things: how much can we reduce this stock, the ready inventory? And since we are into B2B, supplying to stores, how fast can we get the payment cycle accelerated? How much can we increase the quantity of advanced gold? And how much more can we work on the cash mode so that we have extra funds to grow our business further? So this is the basic motto of our company, and we are operating on that basis, which is why our cash flow has become positive within six months. If you will look at the March balance sheet, you will find even better results within it.

Vinay Nadkarni: One last question: regarding the new subsidiary that is being talked about being opened, what is the need to open this subsidiary? Can't you do it within Shringar itself?

Management: We can, but for this, we have thought that first we open a subsidiary with a very minimal fund, like INR2 crores, INR4 crores, INR5 crores at most, since it is a new venture. So it will be a new venture which is in my mind, considering that today with gold being so expensive, what are the things under INR50,000 that I can provide? Whether it is 9-karat gold, silver, or other metals, instead of doing this inside the main company, we will first create a subsidiary company and start it there. There will be a separate team to look after it, and that will determine how we can club it together with the rest later on.

Vinay Nadkarni: So this subsidiary will be focusing only on B2C?

Management: No. First of all, this is totally different from our existing business model. Totally different because right now we are doing 22-karat mangalsutra, 18-karat mangalsutra, and bridal jewellery. Those things will not be there. There will be a difference in categories and metals, like platinum, silver, and maybe other metals to lower the value. We are not doing CVD and real diamond work right now. So we will take those offerings to the industry and consumers.

Vinay Nadkarni: Okay. And lastly, generally Q2 is a very strong quarter compared to Q3, except for last year where Q3 was a stronger quarter as well. How do you see Q3 and Q4 in this year?

Management: Excellent, sir. Today we have a massive volume of orders. Corporates are expanding rapidly in India. I cannot name some corporates, but they have pipeline programs for 80 showrooms within two years. Unorganized jewellers are unable to keep pace with volume growth, whereas corporates are growing alongside volume. And all the major corporates in India that you know are associated with Shringar, and everywhere we are not just a vendor, we are a vendor partner. Furthermore, the wedding season is approaching. After Diwali and Dev Diwali, the wedding season will begin. So based on the future planning and basis of corporates, I believe the next quarters will also break records.

Vinay Nadkarni: Thank you very much, sir. Thank you very much. Happy Diwali to all of you.

Management: Same to you sir.

Moderator: Thank you. The next question is from the line of Vrudhi Vora from SAS Capital. Please go ahead.

Vrudhi Vora: Hello. Am I audible?

Management: Yes. Please go ahead.

Vrudhi Vora: My question is regarding the expected timeline for the proposed wholly owned subsidiary and whether it will operate as a separate growth platform for the company's jewelry ambitions?

Management: Regarding the timeline, we just received board approval for this yesterday. Now, the company will be incorporated, its portals will be developed, designs will be created, and all new brand names will be registered. Following this, we will launch it. We want to complete these formalities as quickly as possible; given that the approval is already in place, I expect us to execute everything within two to three months.

The aim is to get this up and running as quickly as possible, as it represents an additional business opportunity. The B2C segment here offers significantly higher profitability. In the gold category, we are developing new segments to drive greater margins. In fact, the profit potential here is three to four times higher. Of course, the turnover won't match that of the Shringar line at this initial stage, we will be focusing on smaller, accessible B2C items. We have developed these new, generic products specifically for the INR50,000 price range.

Vrudhi Vora: My second question, does the company have any plans to expand beyond its existing B2B model and directly target consumers through online platform or any physical outlets?

Management: No, if I talk about Shringar, specifically regarding their B2B and manufacturing operations , they would never alter that existing business model. This new module belongs to an entirely different segment. The products handled under this new initiative won't be integrated into the existing Shringar company structure; instead, this will focus on very lightweight items, CVD specially lab-grown diamonds, and other metals, for instance, 9-karat gold, which Shringar does not currently deal with. We can handle such 9-karat gold operations within this new entity.

Vrudhi Vora: What percentage of revenue is generated through repeat orders from existing customers versus new customers?

Management: More than 90%. This is because we have tie-ups with various showrooms, and they stock our specific designs. They have access to a portal of ours for instance, one containing 10,000 designs. Whenever a product is sold, it is immediately replenished; a repeat order or purchase order is generated right away, and the cycle continues.

Vrudhi Vora: Okay got it. And my last question is like can you explain the rationale behind entering the bridal jewelry segment at this stage? Is this primarily an opportunity to leverage existing customer relationships or a strategic move to diversify the revenue base?

Management: No, ma'am. We moved away from unorganized jewelers and began approaching corporate entities instead. They took a liking to our designs. The bridal segment represents a massive portion of the market; currently, 51% of our business comes from these large chain stores. Thirty years ago, 100% of our clientele consisted of individual, unorganized jewelry stores.

Today, we work with major names like Tata, Birla, Reliance, and Malabar reaching that 51% mark. For bridal segment at present, we supply exclusively to these large-scale retailers, rather than individual, single-store jewelers. To further strengthen this position, we intend to expand our manufacturing capacity. Our strategy is to focus on the bridal segment which accounts for 60% of the total market as this offers the potential for rapid company growth.

Furthermore, our mangalsutra category is performing exceptionally well, growing at a CAGR of 30%. The mangalsutra is also a part of bridal jewelry. We have achieved a high level of expertise in this category, which has allowed us to successfully introduce this product to our existing customer base.

It is quite significant that, within just 4 to 6 months, this product has accounted for 10% of our total turnover and this is even before factoring in the figures from our job-work operations. Had those been included, the share could potentially have been even higher than 10%.

So, we intend to build a very strong position in the bridal segment. Increasing our top line is a key objective, and we are achieving this effectively with a particular focus on driving up volume. Furthermore, as a participant mentioned earlier, cash flow is our primary priority at present, as it enables us to expand our operations as much as possible.

Vrudhi Vora: Thank you. I will rejoin the queue if needed.

Management: Thank you so much.

Moderator: Thank you. The next follow up question is from the line of Vinay Nadkarni from Hathway Investments Private Limited. Please go ahead.

Vinay Nadkarni: Yes. Sir, I wanted to ask something directly. Why has the employee cost increased so much this quarter? Looking at the figures, the employee cost was INR6.7 crores this quarter, compared to INR4 crores last year and INR4.9 crores.

Management: Your voice is breaking up. Hello?

Vinay Nadkarni: Can you hear me now?

Management: Yes go ahead.

Vinay Nadkarni: Right. I was referring to your employee costs, if I look at them on a year-on-year basis, there's a 67% increase this quarter. And on a quarter-on-quarter basis, too, there's an increase of nearly 50%. Why is that?

Management: Sir, as I mentioned, we have already increased our capacity from 2.5 to 4 tonnes; consequently, we will need to increase our headcount. We will need to hire more designers, as we are focused on developing new designs. We have also entered the bridal segment, which will require us to hire additional designers and staff for that category. Furthermore, as we are expanding into new segments, we will need to bring on more personnel. Naturally, this will lead to an increase in our employee-related costs.

Vinay Nadkarni: So, you had already started with the bridal from the very beginning, hadn't you?

Management: We started gradually from Q1, so the headcount will naturally increase.

Vinay Nadkarni: So, what is your current headcount?

Management: When we first launched this in the first quarter, we started with only 20 karigars. Gradually, we increased that number to 40. As we scale up, for instance, if we were to reach a point where 300 artisans are working on mangalsutras, the volume of our output would grow significantly. Consequently, we need to specifically increase our team of designers and technicians. Our designers create the new designs, which the artisans then execute. As we continue to expand this segment, our production capacity and the size of our staff will grow accordingly.

Vinay Nadkarni: Okay, I think that's all I had, thank you very much.

Moderator: Thank you. The next question is from the line of Rajiv Jain from Arcane Investments. Please go ahead.

Rajiv Jain: Hello. Thank you for the opportunity. Sir, I just have a couple of questions. Sir firstly out of your overall revenue currently, how much of it comes from outright sales as compared to the

gold-to-gold job work arrangements? And sir this mix has it changed meaningfully over the last few quarters, if you could throw some light on that?

Management: Job work does not include the cost of materials like metal or gold; it consists solely of labour costs. So, if our top line is INR812 crore.

Management: Sir, if we break down the revenue into job work and 'outright sales,' the outright sales amount to approximately INR812 crores, while job work accounts for about INR6.5 crores. In the case of job work, we bear no risk; we receive the gold in advance and simply perform the required job work on it. As previously mentioned, there is absolutely no risk involved for us, and since we receive the gold in advance, there is no capital investment required on our part, none at all.

Rajiv Jain : Could you elaborate on the company's relationship with large organised jewellery retailers? Are these relationships based on long-term supply arrangements or order-to-order requirements?

Management: Regarding our terms, the contracts we have with large companies. Our relationships have evolved. For instance, we have been working with a company like Tanishq for 15 years, 17 years. We started as suppliers, then became vendors, later evolved into vendor partners, and are now strategic vendors. So, our standing -- our ranking -- within these organizations has been steadily rising. Naturally, as their businesses grow, ours grows alongside them.

Rajiv Jain: Understood. And sir about our manufacturing process, so how much of our process is automated and do we have any plans for further like to further improve the technology so our productivity improves and we reduce wastage?

Management: Absolutely. We focus extensively on the technology available in our field, new developments are introduced constantly. Our team keeps a close watch on the latest trends in the technology landscape. Previously, many components were crafted by hand before being assembled; today, almost all components are machine-made.

However, the actual assembly process in our workshop is still carried out manually. We have procured our technology and machinery from Italy and China, and it is performing exceptionally well. To give you an example: a task that required 50 people ten years ago can now be completed by just 5 people.

Rajiv Jain: Understood. And sir, finally, from a profitability perspective , could you explain the difference in profitability between outright sales and job work arrangements? Which model offers a better return specifically, a better return on capital employed?

Management: It’s quite simple, sir. Think of it like a post-paid versus a pre-paid SIM card. With a post-paid arrangement, the costs are higher because it requires our own capital investment. In contrast, if a client provides the gold in advance, we don’t need to invest our own capital; consequently, the interest cost that would have otherwise been incurred is passed on to the client as a discount. That is essentially where the difference lies. For instance, if I supply a product at a 6% margin,

I might offer the same item at 4.5% to 5% when the client provides the raw material, since I don't have to invest any capital of my own.

Rajiv Jain: Understood, sir. Thank you for explaining, sir. I'll rejoin the queue. Thank you.

Moderator: Thank you. As that was the last question for the day, I would now hand the conference over to the management for closing comments. Over to you, Ms. Pradnya ma'am.

Pradnya Singh: Thank you so much everyone. Thank you all for taking out time for this call. For any further queries and questions you may reach out to us, MUFG Intime as their IR advisors. Thank you so much.

Moderator: Thank you. On behalf of Shringar House of Mangalsutra Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.