



**SHANTI
GOLD**
International Ltd.
CIN: L74999MH2013PLC249748

Date: May 27, 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

Subject: Q4 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 May 18, 2026, please find enclosed the transcript of the Q4 FY26 Earnings Call held on Friday, May 22, 2026 at 02:30 P.M. (IST) for the quarter and year ended March 31, 2026.

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
Q4 & FY26 Earnings Conference Call”

May 22, 2026



**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 Q4 and FY26 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing 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 Q4 and FY26 results conference call of Shanti Gold International Limited. We have with us today 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 investor presentation shared with you earlier and available on the Stock Exchanges.

I now hand over the call to Mr. Pankajkumar Jagawat to begin the proceedings. Thank you, and over to you, sir.

Pankajkumar Jagawat: Hi. Good afternoon, everyone and a warm welcome to all the participants joining us for the Q4 and FY26 earnings conference call of Shanti Gold International Limited. On behalf of the management team, I would like to thank all our investors, analysts, stakeholders, and business partners for their continued trust and support towards the company. We deeply value your confidence in our journey and remain committed to creating sustainable long-term value. I hope all of you have had the opportunity to review our financial results, investor's presentations, and related disclosures uploaded on the stock exchange and on our website.

Before discussing the business and operation performance, I would like to briefly touch upon an important accounting development undertaken. The company has transitioned its inventory valuation methodology from the First In, First Out, FIFO method to the weighted average cost WAC method with retrospective effect from April 01, 2024.

The transition has been undertaken in accordance with the applicable accounting standard and in our assessment better reflects the blended inventory cost in a business environment characterized by significant volatility in gold prices.

It also enables improved cost and revenue matching, while aligning our accounting practice and broader industry standard. We believe this change improves the quality, relevance, and comparability of our reported financial performance and the impact has already been appropriately reflected in the reported numbers.

Coming to our performance, FY26 has been a landmark year for Shanti Gold in many ways. Most notably, we successfully completed our IPO, and got listed in August 2025, marking an important milestone in our growth journey. Becoming a listed entity is not merely a capital

market, even for us, it represents a new phase of responsibility, governance, scalability, and disciplined execution.

Operationally and financially, FY26 has been a strong year for the company. We delivered healthy growth, driven by stronger customer traction, deeper engagement and organized jewellery retailers, improved wallet shares from existing clients, and continued demand across product categories.

Importantly, Q4FY26, we achieved the highest ever quarterly revenues in the history of the company, reflecting our strong execution capabilities, improving scales, and increased relevance as a trusted manufacturing partner for organized jewellers.

Over the years, we have consciously built our business around a few core pillars: quality, design, excellence, craftsmanship, reliability, and timely execution. These are not merely operational strengths but form the foundation of our longstanding customer relationships, we continue to witness strong traction for our products across markets and we remain deeply committed to offering differentiated designs and superior product quality to contemporary designs, while maintaining consistency in execution while continuing to drive repeat business and customer stickiness.

One of the most encouraging trends we are witnessing today is the increasing outsourcing preference among organized jewellers, retailers, as retailers continue to focus on expanding their footprint, inventory optimizing, and faster design cycles. We are increasingly partnering with trusted and scalable manufacturers who can offer quality, consistency, and execution at scale.

We believe, Shanti Gold is well-positioned to benefit from this structural shift. Despite elevated gold prices during the year, overall demand trends remained resilient across key markets and customer segments. We continue to witness healthy transactions, particularly in wedding and occasions-led jewellery categories. While demand remained robust across both traditional and modern design formats. Encouragingly, we continue to receive sustained inquiries and repeat purchases from our customers, which provide us with confidence and visibility regarding future business momentum.

Given the strong customer traction and demand visibility we are witnessing, we have taken strategic steps towards expanding our manufacturing capabilities to support the new phase of growth. Our existing Andheri manufacturing facility with an installed capacity of approximately 2,700 kilo per annum has been operating at healthy utilization levels in line with the growth of our new Marol facility in Mumbai, which will add approximately 4,000 kilo per annum of manufacturing capacity.

In addition, the 1,200 kilo per annum capacity addition announced during an IPO at Jaipur, continues to progress in line with expectations. We would like to emphasize that these investments are not speculative in nature; rather they are being undertaken with a strong sense of confidence backed by the customer traction, demand visibility, and long-term business opportunities we continue to witness from organized jewellers, retailers.

We believe, the additional capacity will significantly strengthen our ability to handle large order volumes, enhance manufacturing flexibility, increase design throughput, and deepen relationships with both existing and new customers. Once operational, this addition will take our total installed manufacturing capacity to nearly 7,900 kilogram per annum, positioning us strongly for the next phase of scalable growth. We also believe the higher scale over time will support operating leverage benefits and strengthen our overall profitability profile.

In parallel, we remain focused on expanding and diversifying our product portfolio during the year. We entered the machine-made plain gold jewellery segment, which opens a meaningful growth opportunity for the company. We also introduced Mangalsutra, as a new product category and we are witnessing encouraging customer response.

Additionally, we also developed Turkish jewellery to be produced at our Marol facility and have onboard skilled professionals directly from Turkey to ensure authenticity, superior craftsmanship, and differentiated product offering aligned with global design trends. The initial response in this category has also been encouraging.

From an industrial standpoint, the outlook continues to remain constructive. India remains one of the world's largest consumers of gold jewellery, strongly supported by strong cultural affinity, rising disposable incomes, wedding demands, and increasing preference for branded jewellery at the same time.

The structural shift from unorganized to organized jewellery retail continues to gather pace, which is creating meaningful outsourcing opportunities for manufacturers with proven execution capabilities. We believe Shanti Gold is uniquely positioned to benefit from these trends through our design-led approach, scalable manufacturing capabilities, strong customers relationships, diversified product portfolio, and unwavering focus on quality and execution.

As we look ahead, our priority remains clear to scale responsibly, deepen customer relationships, strengthen the product portfolio, expand our geographical reach, and continue creating sustainable long-term relationships for all our stakeholders.

With this, I would like to hand over the call to Mr. Shriram Iyengar, Chief Financial Officer, to take you through the financial performance of the company. Thank you.

Shriram Iyengar:

Thank you, Pankaj ji, and good afternoon, everyone. I will now take you through the financial performance for the quarter and year ended March 31, 2026. Revenue from operations for Q4 FY26 stood at INR 658.93 crores as compared to INR 297.29 crores in Q4 FY25, registering a growth of 121.65% on a Y-o-Y basis.

The strong performance was driven by onboarding of new customers, an increase in volumes, and elevated gold prices during the quarter. EBITDA for Q4 FY26 stood at INR 67.01 crores as compared to INR 21.12 crores in Q4 FY25, registering a growth of 217.26% Y-o-Y. EBITDA margins for the quarter stood at 10.17% as compared to 7.10% in the corresponding period last year, improving by 306 basis points.

The growth in EBITDA was supported by better product mix and higher contribution from bridal jewellery, leading to improved operational metrics during the quarter. Profit after tax for Q4 FY26 stood at INR 51.93 crores as compared to INR 9.19 crores in Q4 FY25. PAT margins for the quarter stood at 7.88% as against 3.09% in Q4 FY25.

Now moving to the full year performance. Revenue from operations for FY26 stood at INR 2,018.71 crores as compared to INR 1,106.41 crores in FY25, registering a growth of 82.46% Y-o-Y basis. During the year, the company witnessed healthy business momentum, driven by stable ordering trends, increasing engagement with organized retail customers, and continued demand for design-led jewellery products.

EBITDA for FY26 stood at INR 199 crores as compared to INR 89.92 crores in FY25, registering a growth of 121.31% Y-o-Y. EBITDA margins for FY26 stood at 9.86% as compared to 8.13% in FY25, improving by 173 basis points. Profit after tax for FY26 stood at INR 140.15 crores as compared to INR 54.10 crores in FY25.

PAT margins for FY26 stood at 6.94% as compared to 4.89% in FY25, improving by 205 basis points Y-o-Y. The company continues to maintain a disciplined approach towards working capital management, operational efficiency, and balance sheet strength while continuing to invest in future growth opportunities.

Thank you. With this, I request the moderator to open the floor for questions.

Moderator: Thank you very much. The first question is from the line of Narayana from StepTrade Capital. Please go ahead.

Pankajkumar Jagawat: Narayana, your voice was not clear. Can you repeat the question?

Narayana: Yes, sir. Is it audible now, sir?

Pankajkumar Jagawat: Yes.

Narayana: Hello? So sir, my question is in the whole year FY26, the prices of gold drove the revenue growth, right? It has outpaced the growth in the volumes for the company. So excluding the price inflation of gold, what would be the way moving forward? How do you see the consumer demand to be in the next year?

Pankajkumar Jagawat: Consumer demand is there and that is why we grown after we received money through IPO proceeding, we had a 15% growth. We only had three-four months to utilize the money, right? Still we achieved 15% growth. So this year, i.e current coming year, it will be around 30% to 40% growth in terms of volume and around 60%-70% growth in terms of value

Narayana: So my next question is regarding the import duty which has increased by the government. What would be the effect on the consumer demand moving forward?

- Pankajkumar Jagawat:** So one year back also there was 15% duty. So it didn't affect the consumer demand. So government had reduced it from 15% to 6% last year only, and again they have come up to 15%. So I don't think so there would be any problem in demand and all. For many years it was 15%.
- Narayana:** Okay. Thank you Sir.
- Moderator:** The next question is from the line of Bharat Gianani from Moneycontrol Research. Please go ahead.
- Bharat Gianani:** Yes, sir. Thanks for the opportunity and congratulations for a great set of numbers. Sir, my first question is, I mean, you stated that the capacity expansion plans, the Jaipur plant and the new Mumbai plant that is on track. If you can reiterate the timelines for the production capacity to start at both the plants?
- Pankajkumar Jagawat:** So see, our new factory is almost ready, which is going to be like in a month or so for Marol factory, and I guess Jaipur factory should be starting by around September, October now. So initially to start with, like I expect this Marol factory initially few months to start with, it's going to be around 100 kgs per month and reaching very soon we'll be reaching till 4,000 kilos.
- Bharat Gianani:** And sir, next question is the profitability part. So basically FY25 and '26, there is a lot of factor of the higher gold prices on the profitability because of the inventory gains we might have. So just wanted to understand, what is the sustainable net profit EBITDA and net profit margins that you foresee?
- Pankajkumar Jagawat:** This margin would be around 4% and all, which we've been maintaining that 4% plus and all. And whatever extra money what we made profit, our company has made profit, was the borrowing from IPO proceeding. We had purchased gold because the geopolitical things were not good. So we didn't go for GML and we purchased all the gold when we received the money. So that is why the company has made a higher profit.
- Bharat Gianani:** So PAT level 4% is sustainable.
- Pankajkumar Jagawat:** Yes.
- Bharat Gianani:** Okay, sir. Thanks and all the best.
- Moderator:** Thank you, sir. The next question is from the line of Anushka Vora from Vimana Capital. Please go ahead.
- Anushka Vora:** Yes, hi. I wanted to know, what is your capacity utilization currently in the existing factory and what are your volumes per month?
- Pankajkumar Jagawat:** Our present capacity is around 65%. And what was your second question?
- Anushka Vora:** What is the volume per month that you're operating at currently?
- Anushka Vora:** Yes, I was asking what is your volume per month?

- Pankajkumar Jagawat:** Volume per month?
- Anushka Vora:**
- Pankajkumar Jagawat:** So we have given out our volumes on a quarterly basis in our presentation around 145 kilos to 150 kilos.
- Anushka Vora:** Okay, thank you.
- Moderator:** Thank you, ma'am. The next question is from the line of Krinjal Ranawat from Valmiki Leela. Please go ahead. Ms. Krinjal, please go ahead. Your line has been unmuted. As there is no response, we'll move to the next. The next question is from the line of Gaurav Agarwal from VA Capital. Please go ahead.
- Gaurav Agarwal:** Good afternoon, sir.
- Pankajkumar Jagawat:** Good afternoon.
- Gaurav Agarwal:**
- Gaurav Agarwal:** Yes. So as you have given the guidance of 4% PAT for the next year, this year we have done a PAT margin of around 7%. So on INR 2,000 crores of revenue, you have done a INR 140 crores PAT. So next year if you do INR 4,000 crores of revenue according to the guidance you had given in the last quarter, 75% utilization and the additional 800 kilos, which comes to around INR 4,000 crores, so that 4% will be approximately INR 160 crores of PAT, which we can expect for the this year?
- Pankajkumar Jagawat:** Yes. If we do a turnover of around INR 4,000 crores, yes, PAT will be around INR 160 crores.
- Gaurav Agarwal:** So the revenue will be double but the PAT growth will be 10% to 15%.
- Pankajkumar Jagawat:** No, if the price remains same. So the net margin, business margin would be around 4%. And suppose if the gold fluctuates from and it goes high, so we'll have additional profit of gold also.
- Gaurav Agarwal:** . Okay, sir. Thank you.
- Moderator:** Thank you, sir. The next question is from the line of Amit from RoboCapital. Please go ahead.
- Amit:** Thank you for the opportunity. Sir, my first question is, we have 7,900 kg of full capacity. So whenever we utilize the entire capacity, what can be our peak revenue at today's gold prices?
- Pankajkumar Jagawat:** You mean to say full 7,900 kilos?
- Amit:** Yes.
- Pankajkumar Jagawat:** Suppose, if we catch a price around 150
- Amit:** Yes.

- Pankajkumar Jagawat:** It would be around INR 11,850 crores.
- Amit:** Right, sir. And to reach that type of a milestone, like say 7,000 kg etc, how do you see the demand? Can we do it in say, two, three years? What do you – when do you expect to take peak capacity?
- Pankajkumar Jagawat:** So next year like around we expecting a turnover of around INR 3,000 crores to INR 3,500 crores and with 35% to 40% growth. Yes, three to four years, we should achieve full 7,900 kilos or maybe more.
- Amit:** Right, sir. And one point earlier was that – to an earlier participant there was a discussion of say 30% volume growth, but you also I think indicated a slightly higher value growth, like 60% or so. So are you factoring in the gold prices to increase further or you're calculating it as on today's prices?
- Pankajkumar Jagawat:** I'm calculating with current price.
- Amit:** Okay, sir. Perfect. That's it from my end. Thank you.
- Moderator:** Thank you, sir. The next question is from the line of Prakash Sharma, an Individual Investor. Please go ahead.
- Prakash Sharma:** Hi, sir. Thank you for the opportunity. I have a couple of questions. Sir, my first question is that the incorporation timeline for our Dubai subsidiary has now been extended to June '26. Could you elaborate on the strategic importance of the Dubai entity and its role in supporting export expansion plans?
- Pankajkumar Jagawat:** So due to all these wars and all, it is extended for a couple of months more ahead now because the situation, geopolitical things are not good. Yes, as soon as it gets all okay, it is going to be full-fledged. All the license and all we've got it. Only a couple of license are left now.
- Prakash Sharma:** Okay, sir. And the role for export expansion plans?
- Pankajkumar Jagawat:** So I told you like this year will be like from 5% to we are going to go up to 10% or maybe more. Sorry, from 10% to 20%.
- Prakash Sharma:** 10%, 20%, okay, almost double. And our exporting regions would be Middle East only?
- Pankajkumar Jagawat:** No, USA, Singapore, Malaysia, U.K., lot of countries from Dubai.
- Prakash Sharma:** Okaysir. Last question is that by when is the Dubai office expected to commence operations and become fully operational? I know it has been delayed by a few months, but you know.
- Pankajkumar Jagawat:** It's delayed because of the geopolitical things, otherwise everything is in place . We've taken the place, received all our license and all. Due to war, Iran and these wars are going on, that is why it's extended. Otherwise, we are ready to go.
- Prakash Sharma:** Okay,. So I expect that once we commence, it will be kind of fully operational.

- Pankajkumar Jagawat:** Fully operational, yes.
- Prakash Sharma:** Okaysir. Thank you. That's it from my side.
- Pankajkumar Jagawat:** Welcome.
- Moderator:** Thank you, sir. The next question is from the line of Preesha Shah from Shah Family Office. Please go ahead.
- Preesha Shah:** Thank you so much for the opportunity, sir. So I just want to understand that what are the measures which we are taking to protect our ROCE as our inventory values and the working capital intensity is increasing?
- Shriram Iyengar:** Hello. Yes, madam. As far as the ROCE and everything is concerned it still is at a very healthy margin of say I think 38%. I think that's very good ROCE. As far as the inventory is concerned, this being a jewellery-based industry, the value is all unlocked. The value will come from only the inventory only.
- So we have got adequate stock for the coming year. Yes, in spite of all this uncertainty, I think we are well ahead to cater to all those new markets, new geographies and all, and the value is certainly going to come from this unlocking of the inventory which we are sitting quite comfortably in spite of this volatile moment.
- Yes, and as far as the value again, if you see the metrics also, my debt-equity is at 0.36. I think it is very nicely leveraged. My ROCE is 38%, which is quite handsomely rewarded. My stock positions, these are all comfortable in spite of this uncertain time we are, I think, well in a position to navigate this uncertain period. So yes, value will come as we go around and reach far more markets trends.
- Preesha Shah:** Thank you, sir. That answers my questions. I just have one more question. So we have seen that the gold price are elevated, and our inventory values is also being increased. So how should we as investors be thinking about the incremental borrowing requirements and how are we trying to maintain the balance sheet discipline?
- Shriram Iyengar:** Yes. Madam, if you see my balance sheet, , my balance sheet is very strong. My net worth has gone up. So there is two-fold aspect to it. One, in spite of all those uncertain time, there is a 15% growth on the volume, as far as value is concerned, 80%. So in spite of all odds, we have achieved what we had said in the last year. That's number one.
- Going ahead, again the numbers that we have just shared with you, it's 60% to 70% on a value-based growth and around 30% to 40% volume-based growth. That is again a very, very good demand to go through looking at all the odds.
- Third, there is a huge capacity expansion is happening. We are almost equipping three times the current capacity. So we are well-positioned to cater to the new growth market and all. As far as the future growth and concern, there are two things to it, madam. With the current capital that

we have got, we are sure to cross through the numbers that we have just said about 60% to 70% value growth and 30% to 40% volume growth. That's number one, that is huge.

Second, as far as you are saying, what is the value, I think in the introduction we have already said, we are coming with new product mix, we are pouring into new product lines, we are ramping up capacity. So this all augurs well for a large, large share in the market.

As of now, we possess hardly any share in the current market scenario. So sky is the limit for us. So going forward, we will achieve what numbers we have given through out guidance call and the value should come unfold as we go along.

Preesha Shah: And thank you so much, sir. That answers my questions. I'll get back in the queue.

Moderator: Thank you, ma'am. The next question is from the line of Shruti Sharma from Family Office. Please go ahead.

Shruti Sharma: Yes, thank you for the opportunity. So my first question is related to ongoing capacity expansion. So do you see any risk of concentration towards existing clients or should we expect the customer base to become more diversified going ahead?

Pankajkumar Jagawat: No, we'll be having existing customers also and we'll be having new customers also on board.

Shruti Sharma: Okay. And as a large organized retailers increasingly look at backward integration and in-house manufacturing, do you see this as a structural risk of outsourced players over the long-term? Also, how is Shanti Gold positioning itself to remain a preferred manufacturing partner for such clients?

Pankajkumar Jagawat: We've been a partner since 15 to 20 years and trusted partners. We've been supplying jewellerys to them since 15, 20 years. So if you see like in terms of even gold price going so up last year from INR 70,000 to almost touching INR 1.5 crores, still we had 15% volume growth and even in terms of sale growth also in terms of money, yes, value growth.

Shruti Sharma: Okay, thank you. And all the best for next quarter.

Pankajkumar Jagawat: Thank you.

Moderator: Thank you, ma'am. The next question is from the line of Anshul Saigal from Saigal Capital Advisors LLP. Please go ahead.

Anshul Saigal: Thank you for my question. You mentioned that you took some inventory, you bought some inventory and you're seeing some benefit of that inventory in the current quarter and probably in the coming year as well. If you hadn't bought this inventory, what is the model of sourcing for you? Or putting it differently, aside from buying your own inventory, do you get raw material from the customers itself or what is that model of sourcing of raw material?

Pankajkumar Jagawat: We source gold through banks or from the bullion merchant. And yes, so means we are open to have a gold metal loan, but due to geopolitical things are not good in the world, so we didn't wanted to take a risk of gold metal loan. So we purchased all the gold on outright.

- Anshul Saigal:** So assuming that all your procurement was from the bullion gold, your margins would be 4%?
- Anshul Saigal:** Okay. Second, I just want to sort of double click on the previous participant's question, which is there in your presentation you mentioned that you have a 7% volume or value contribution from your top customer. Now how much of their business do you contribute to it? How much of their volumes? What I'm trying to understand is who do you compete with? How does your market share increase going forward? How do you think about that whole aspect of your business?
- Pankajkumar Jagawat:** So we've introduced new line of jewellery like Turkish jewellery and Cuban bracelets and Mangalsutra's and a lot of jewellery line, plain casting and everything. So volume growth is not a problem, the demand is there and we've been having trusted customers since 20 years. And in North side also like we've got new lot new clients and we started participating in Delhi and all those places. So our North expansion is going very huge. And we are coming up with a office in Dubai, so export is also going to grow.
- Anshul Saigal:** One very obvious customer who's missing from your presentation is Titan – Tanishq. You don't supply to them?
- Pankajkumar Jagawat:** No, we don't supply jewellery to Titan.
- Anshul Saigal:** Is that a customer
- Pankajkumar Jagawat:** New factories are coming up, so we are going to approach Titan and lot of new clients who are not on our Board. So they are on our list now, which very soon we are going to be on board.
- Anshul Saigal:** Okay. And to your point that you're coming up with new products, does that mean that with existing customers you're going to enhance the range? Is that the strategy or is it a mix of getting new customers and enhancing range with the existing?
- Pankajkumar Jagawat:** Mix of both new customers as well as existing.
- Anshul Saigal:** How many customers do we have in all?
- Pankajkumar Jagawat:** More than 400.
- Anshul Saigal:** More than 400. Okay. Thanks, I'll join back in the queue.
- Moderator:** Thank you, sir. The next question is from the line of Narayana from StepTrade Capital. Please go ahead.
- Narayana:** Can I get a revenue bifurcation between the studded **jewellery** and the plain gold and the 22-carat jewellery, please?
- Pankajkumar Jagawat:** 70% and 30%.
- Pankajkumar Jagawat:** Yes, 70% from the existing line what we are doing it and 30% what we started with the new line, plain.

- Narayana:** Okay. And sir, what would be the margin difference between these two?
- Pankajkumar Jagawat:** Margin, so bridal jewellery has a higher margin and plain gold has a lesser margin. So when we align both the things, so it comes up to 4% plus something, 4% some plus on it.
- Narayana:** OkayGot it, sir Thank you.
- Moderator:** Thank you, sir. The next question is from the line of Bharat Gianani from Moneycontrol Research. Please go ahead.
- Bharat Gianani:** Yes, sir. Thank you for the opportunity. Just wanted to check the working capital cycle, what are we expecting it in the current and the next year? And a related question to that, since we are ramping-up the capacity very much, almost three times, so we will need debt to kind of support the working capital. So what is the maximum debt level that you are willing to take on the balance sheet? So two questions related to that.
- Shriram Iyengar:** Yes, as far as my current working capital is concerned, I think it's almost seven times what the turnover is, current capacity is – current debt borrowing is, that's number one working capital debt. And number two, as far as the future borrowing is concerned, the future borrowing will be aligned to the market requirement, that's number one.
- Yes, we have huge facility coming up, we are going – we are on a expansion spree, ramping-up facility, going to places where we haven't gone like the North market, East market, export and all, we will require and to top it up, we have started new product lines, we are coming up with new facility, so that additional thing will certainly require some more debt fund.
- To answer your question, maximum at this point if I say, we should be comfortable at going at 1:1. That's what we are aiming for now to fuel the future growth expansion. At currently, we are at 0.36, which is again a good headspace to maneuver or go for that debt part. Maximum we should be close to one. Debt equity.
- Bharat Gianani:** Okay. And sir, this working capital cycle, so number of days that we have seen in FY26, you expect it to remain the working capital days at this level or you expect some improvement going ahead? And if you expect any improvement, what is the driver for that?
- Shriram Iyengar:** See, the current level the markets are so volatile, so one first you should appreciate us for the all the good efforts that we have put in the last year in spite of all those volatile moments, our working capitals are still at a very good level. And my inventory is around less than 50, trade receivables are less than 50.
- So yes, we have done a good – lot of hard work, lot of efficiency in place, that's to be seen and appreciated. Going forward, yes, if the markets are turbulent, we are going in a turbulent time, we may have to extend some kind of support to our customer, but that fairly enough, we should be able to maintain on that. And to top it up, we are also foraying into plain jewellery, which is a high volume, low margin game. Yes, it is certainly to improve the working capital cycle going ahead.

- Bharat Gianani:** Okay, sir. Thanks, and all the best.
- Moderator:** Thank you, sir. The next question is from the line of Preeyam from Choice Institutional Equities. Please go ahead.
- Preeyam:** So, sir, we are seeing an increase in the debtors day from 42 to 49 in FY26. So, can you highlight the reasons for that? And how we can look forward going ahead for the coming year?
- Shriram Iyengar:** Okay. See, basically it has gone up. If you also see the majority of the part is coming from the high revenue growth. So that's from 1106 to 2018, there is a big growth in the top line. So certainly, it will definitely add to that debtors in terms of absolute number. Yes, if you go by the days, it's hardly from 42 to 48 days.
- Now if you just factor in like the volatile market, the customer, the uncertain regime and all, so in that to sail through and give this kind of or to have this kind of a number is really commendable. And again to answer more specific, do you think the CZ segment, which requires some kind of a credit also and more importantly, need that kind of a customer support during this volatile time. So, from 42 to 48, I think you will appreciate the numbers are not that big. Going forward, as we pour into other categories of product, we should be able to further have some filter on those days and surely it should come down.
- Preeyam:** Sir, thank you. That answer my question.
- Moderator:** Thank you, sir. The next question is from the line of Subhanu from 3 Head Capital. Please go ahead.
- Subhanu:** Yes. Good afternoon. As you mentioned our guidance on volume growth around 30% to 40% and value growth around 60%. How- are we targeting around 60% value growth that means are you expecting gold price will increase going further from here?
- Pankajkumar Jagawat:** Yes, we are expecting some high incremental.
- Subhanu:** But you completely speculating this because you are giving the guidance to shareholders to speculate the gold price.
- Pankajkumar Jagawat:** No, we are not speculating. When we received money from IPO proceeding, because the geopolitical things are not good and gold has always been 7% to 8% minimum high every year. You've been tracking since yearright? And after the geopolitical thing, from 78,000 it went up to around 108,000 rupees, right?
- So, due to again Iran war with Israel and US and all, so things are not good, means lot of volatility is there and things are not good across the world. So that is what we are expecting. We are not giving any hopes to the shareholders because there is lot of issues throughout the world, geopolitical things. That is why we are also not taking gold metal loan because every day there is up and down in the gold thing. So current price, we are expecting INR 1,50,000. Just catching that, we've taken 30% to 40% volume growth and 60% to 70% value growth.
- Subhanu:** Okay, sir. What is our average inventory cost? Inventory price per 10 grams?

- Pankajkumar Jagawat:** Didn't get your question.
- Subhanu:** What is our average inventory per 10 grams as on FY26?
- Shriram Iyengar:** Average inventory. Sir, as per this currently we are at **12,000**.
- Subhanu:** Okay. And my next question on our capacity. As you mentioned, our current capacity utilization around 65%. But if I remember right, earlier in the Q3 call you guided around 60% to 70% volume growth, but now you told around 30% to 40% volume growth. That means you reducing our volume growth guidance but you increase our value growth guidance. Why are you reducing our volume growth guidance?
- Shriram Iyengar:** Sir, I think last year we have got a volume growth of 15% overall, on a Y-o-Y basis, that's number one. This year we are we are giving a volume growth of 40% plus. There is no way where there is a contrast to that. In fact, there is a growth in the volume also coming in. So as against 15% last year, we are projecting a growth in volume to 40%. So there is no contrast in the or degrowth in the volume growth.
- Subhanu:** Okay. Understood. Thank you. Best of luck.
- Moderator:** Thank you, sir. The next question is from the line of Krinjal Ranawat from Valmiki Leela. Please go ahead.
- Krinjal Ranawat:** Hi, sir. I just wanted to know that you said that you're adding new customers. So any specific geographical location you're looking forward for domestic or international?
- Pankajkumar Jagawat:** Yes, like we plan to increase customers in U.K., Singapore, Malaysia, and in India like we are going towards North and all those places.
- Krinjal Ranawat:** Okay. So, in the demand, could you say about demand in Southern India as of now?
- Pankajkumar Jagawat:** Demand is there. So yes, means we have been from the times we've received money through IPO proceeding, we had a 15% growth. And if you go to see that quarter after receiving the money, it was around 31% growth last year. I mean this last quarter. So this whole year we are expecting 30% to 40% volume growth as well as 60% to 70% value growth.
- Krinjal Ranawat:** Okay, that's good, sir. So, don't you think the Modiji's statement would have any impact for this?
- Pankajkumar Jagawat:** So, I think it is going to impact on gold bars and gold coins, not on the jewellery.
- Krinjal Ranawat:** Okay. Thank you so much. That's it from me.
- Moderator:** Thank you, ma'am. The next question is from the line of Achyut, an individual investor. Please go ahead.
- Achyut:** Yes, hello, sir. I just want to understand on the margin. Why the profit after tax margin should reduce from 7% to 4%?

- Pankajkumar Jagawat:** The margin, business margin is around 4% and whatever we've achieved and more margin it was because of the gold price.
- Achyut:** But what if the gold price remains same for next year as well?
- Pankajkumar Jagawat:** If the gold price remains steady, if the gold margin remains same, we are going to earn 4 plus margin over here. I'm talking about PAT.
- Achyut:** I mean, can we get similar profit margins if the gold price is same?
- Pankajkumar Jagawat:** Didn't get your question. What are you trying to say?
- Achyut:** I mean if the gold price is not getting reduced, if the gold price is same, let's assume for next year, the PAT margins will be same or it is going to reduce?
- Pankajkumar Jagawat:** It's going to be same.
- Achyut:** Okay. So you've given the guidance for 4% on the condition that gold price will go down?
- Pankajkumar Jagawat:** 4% is going to be a business margin, operational margin I mean to say, that's a core margin. That is going to be, PAT. And additional margin what we've got this year due to the gold rising because we had purchased the gold outright.
- Achyut:** Okay. So from next year onwards what happens, like for next year also you have the gold, I mean purchased at less price or you're doing the business in different way?
- Shriram Iyengar:** Hello. Just to answer to your question more specifically, see basically my core margin is around 3.5% to 4%, that's for sure. We are not speculating on the gold market price movement whether it goes North or South. So we don't want to speculate where we will head to. The 7% that we have projected last year, it had an element of a surge in the gold price, additionally, maybe 3% to 3.5%, which we are not considering as of now. So our core margin, come what may, will always remain between in the range of 3.4% to 4%, which is the normal industry range. So we are not speculating anything on the price movement. We are catching the current rate as of now, as we speak, as we give you a target. The current rate is what we have considered. We just hope it remains in the same region. But in case going ahead, there is an increase in the gold price. You can see some more additional margin adding up to the core margin. I hope that answers your question?
- Achyut:** Okay. Sir, the reason I'm asking is I just want to understand that if you're doing the same business next year, you will be able to get the INR 140 crores pack on INR 2,000 crores business annually, right?
- Shriram Iyengar:** Yes
- Achyut:** The additional INR 2,000 crores business, you are getting for a INR 20 crores profit. It means the additional business is low margin business, I want to understand. Because if you pay 4% PAT for next year, the PAT will become 160 on INR 4,000 crores. And currently you are making

140 on INR 2,000 crores. So the additional INR 2,000 crores is bringing only INR 20 crores profit.

Shriram Iyengar:

Sir, again, that's what we want to freeze out those numbers. This 140 add an element of a price rise, right? Inventory gain. Now we are talking about the plain vanilla numbers, 4% on the additional growth. So in case if there is – again, in case speculation I think that doesn't augurs well, we are not going to forward-looking statement. So whatever additional business or whatever turnover that we do it in the next year, simply roughly we will get a 4% PAT. That's for sure.

Additional inventory gains because of better management, better inventory management or in case of inventory gains and all that will be extra bonus additional on top of 4%. So this 140 comprises both the core margin as well as the inventory gains that we got because of timing or because of we ramping up the stock at the right time at the right place and all. So we got some good gains last year.

But going forward we cannot say that this inventory gains will be there or not. So fairly, what we have done is we are sticking to the current rate. We just hope that it remains in range form and whatever the business the top line that we have suggested, there should be clear-cut 4% PAT margin going ahead.

Achyut:

Okay, sir. Thank you. That's it from my side.

Moderator:

Thank you, sir. The next question is from the line of Chirayu from CIA Investments Please go ahead.

Chirayu:

Yes. So I have a follow-up question on the previous participant. You said that you are not speculating on the gold prices. For the next year, you have given a guidance of top line growth of 60% to 70% and assuming a volume growth of 40% only.

Chirayu:

Sir, my first question, I would like to be straight. Till how long the company can benefit from the inventory purchased with the IPO money in next year?

Shriram Iyengar:

Sir, I think we are not talking about the company benefiting from the inventory and all. We are simply giving the plain numbers. Last time we got the benefits because of the better timing of IPO coming in at the right time, we ramped up the inventory, we could get that. That was ancillary, that was not part of something we planned for, this was not in control. That's one thing.

Going forward, that's why we have completely mitigated that inventory gain. So whenever, whatever guidance that we are giving, it is only the business core margin that we are talking about. We are not even talking about the inventory as of now.

Going ahead, what we said simply on whatever the top line that you see, 60% to 70% value growth, on that straightaway 4% margin is this is the business margin that is going to be next year. Now how long we can go on to the inventory gain, we are just putting it aside. This is just a business inventory as just, it comes in the system, it goes out and just we earn the core margin. That's it, sir. No speculation, nothing on the inventory.

- Chirayu:** Sure, sir. So one question, how much inventory in kilos are we left with now?
- Shriram Iyengar:** Yes. Our run rate, sir. As of now we are left with around both the stock and debtors taken together close to 600 kgs we have got. And even if you roughly, just roll it roughly, you roll it to four times, that comes to 2,400. Just add the current rate, we are just getting 60% to 70% revenue growth. Simple math, simple calculation.
- These are very conservative numbers. The stock pile-up in fact is helping us to weather this kind of uncertainty where the gold availability has become a difficult for other players and all. So we are sitting quite comfortably in the current scenario where we are also and that is actually helping us try as we are rolling out new designs and all, though there is a slight slow-downfall in the demand and all, but it actually is helping us because of the inventory pile-up we had last year.
- So going forward, it gives us that cushion to whether that demand coming from all corners of the country from all large retail people, it is actually helping us even this inventory current level holding also.
- Chirayu:** Sure. And sir, my last question, in the current market trends after the recent news which came, the bullion market is trading much below than the jewellery market in terms of pricing. Will this in some way help us because we procure bullion and then convert them into the jewellery?
- Shriram Iyengar:** Sir, price is a factor to it, sir. See, as a manufacturer, sir, we don't get into that price movement and all. Whether it is going around North or South, whatever orders we get, we have to just execute it. So we are not here just looking at the price and stocking our inventory and all. We are in the business of manufacturing, whether the price goes North, our core duty is to just get the bullion, whatever rate it is make a fine jewellery out of it and sell it in the open market. That's the basis. We just don't chase those price movements and all.
- Chirayu:** Sure, sir. One last question, Just small one. With the inventories you hold, are you hedged on that or what is your hedging percent?
- Shriram Iyengar:** Sir, our hedging policy is quite simple. We buy as we sell. Simple.
- Chirayu:** Okay, okay. Immediately. So apart from the IPO gold that we hold, everything is hedgeable. You do it on immediate basis. Okay. Thank you, sir.
- Moderator:** Thank you, sir. The next question is from the line of Bhavya Anand Reddy, an individual investor. Please go ahead.
- Bhavya Anand Reddy:** Yes, hi, sir. With the current model that we are operating, there might be huge volatility in our margins just based on the volatility in gold price. So, in future, how do we plan to mitigate this? So, in case there is a drop in gold price, there might be a drop in our margins as well.
- Shriram Iyengar:** So, basically, again, as I said, sir, we being a manufacturer, our prime focus is to manufacture. That's number one. And if the price goes up, there is a gain. If the price goes down, there is a loss. I mean, these are all volatility. Yes, we as a company, we have to just have those levers on



hand to control those whatever can be controlled, we control through better hedging policies or whatever the policies that we can bring. So, that as simple as that, the rate goes up and down. Our job is to manufacture and get a core margin. That's why we are harping more on the core margin, not going whether the price goes north or price goes south.

Bhavya Anand Reddy: Okay, sure. Thanks.

Moderator: Thank you, sir. Ladies and gentlemen, we'll take this as the last question for today. I now hand the conference over to the management for closing comments.

Pankajkumar Jagawat: Thank you, everyone for participating in the earnings call of Shanti Gold International Limited. We hope, we have been able to address most of your queries. Should you require any further clarification or additional information, please feel free to reach out to Smit Shah from Adfactors PR and the team will be happy to assist you. We appreciate your continuous support and look forward to interacting with you all again. Thank you.

Moderator: Thank you, sir. On behalf of Shanti Gold International's Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines. Thank you.

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