II Shree Shankeshwar Parshwanathay Namah II

Shankesh Jewellers Ltd.
Formerly Known as
Shankesh Jewellers pvt. ltd.

Tel.: 91-22-23470009 / 91-22-23470008

Office No. 12, 3rd Floor, 101, Mumbadevi Diamond Premises Co-op. Soc. Ltd., Zaveri Bazar,
Mumbai - 400 002. MAHARASHTRA, INDIA. • CIN No.: U36910MH2005PLC154679
Website : www.shankeshjewellers.com • Email : shankjewel@gmail.com, info@shankeshjewellers.com

Date: September 17, 2026

To,
Listing/Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001
BSE Scrip Code: 544882

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: SHANKESH

ISIN: INE1WFC01025

Sub: Transcript of the Earnings Call held on September 11, 2026

Pursuant to the provisions of Regulation 30 read with Para A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, please find enclosed herewith the Transcript of Earnings Call pertaining to the Financial Results for Quarter ended June 30, 2026, held on Friday, September 11, 2026.

The Transcript is uploaded on the Company's website:
https://www.shankeshjewellers.com/investor-relations#investoranalyst-call

Kindly take the same on your records and oblige.

Thanking you,

Yours truly,
FOR SHANKESH JEWELLERS LIMITED
(Formerly known as SHANKESH JEWELLERS PRIVATE LIMITED)

SHWETA DATTATRAY RAVANKAR
Digitally signed by SHWETA DATTATRAY RAVANKAR
Date: 2026.09.17 17:52:29 +05'30'

SHWETA RAVANKAR
COMPANY SECRETARY AND COMPLIANCE OFFICER
Membership No: A68236

"Shankesh Jewellers Limited
Q1 FY27 Earnings Conference Call"
September 11, 2026

MANAGEMENT: **MR. MANOJ KANTILAL JAIN – MANAGING DIRECTOR – SHANKESH JEWELLERS LIMITED**
MR. MAHAVIR KANTILAL JAIN – WHOLE-TIME DIRECTOR – SHANKESH JEWELLERS LIMITED
MR. SUNIL JAIN – CHIEF STRATEGIC OFFICER – SHANKESH JEWELLERS LIMITED

MODERATOR: **MR. SUYASH SAMANT – STELLAR INVESTOR RELATIONS ADVISORS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the Shankesh Jewellers Limited Q1 FY27 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 the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Suyash Samant from Stellar Investor Relations Advisors. Thank you, and over to you.

Suyash Samant: Thank you. Good morning, everyone, and thank you for joining us today. We have with us today the senior management team of Shankesh Jewellers Limited, Mr. Manoj Kantilal Jain, Managing Director; Mahavir Kantilal Jain, Whole-Time Director; and Sunil Jain, Chief Strategic Officer, who will represent Shankesh Jewellers Limited on the call. The management will be sharing the key operating and financial highlights for the quarter ended 30th June 2026, followed by a question-and-answer session.

Please note, this call may contain some of the forward-looking statements, which are completely based upon the company's beliefs, opinions, and expectations as of today. These statements are not a guarantee of the company's future performance and involve unforeseen risks and uncertainties. The company also undertakes no obligation to update any forward-looking statements to reflect developments that occur after the statement is made.

I now hand over the conference to Mr. Mahavir Kantilal Jain. Thank you, and over to you, sir.

Mahavir Kantilal Jain: Thank you, Suyash. Good morning, everyone. Thank you for joining us for the maiden earnings call for Shankesh Jewellers Limited. It is a privilege for us to address the investor community for the first time following our listing, and we are pleased to have this opportunity to introduce Shankesh, our business, our journey so far, and the opportunity we see ahead.

For us, this is not simply the beginning of our journey as a listed company, it is the beginning of a new chapter in the journey that started more than three decades ago. Shankesh Jewellers was established in 1992 with a simple focus to build a business around high-quality, handcrafted gold jewellery and strong, enduring relationships.

Over the years, that foundation has evolved into a scaled jewellery platform serving customers nationwide. Today, we offer a broad portfolio of handcrafted 22 karat and 18 karat gold jewellery across categories including bangles, wedding necklaces, chokers, rings, earrings, other traditional and contemporary designs.

What has remained constant through this journey is our focus on craftsmanship, customer relationships, and execution. Jewellery, particularly bridal and occasion wear, is fundamentally different from the standard manufactured product. It carries an emotional and cultural significance, and customers often look for intricate designs, customization, personalization, and consistency in quality.

This is where handcrafted jewellery continues to have a strong and different position, giving us a competitive edge in the craftsmanship and creativity. Our business has therefore been built around combining design capabilities and customer understanding with a deep ecosystem of skilled craftsmen and karigars.

At the heart of this ecosystem, network of karigars, we have built a strong network of karigars with relationships developed over long period of time. This enduring network provides us with access to skilled and experienced craftsmanship base, supports high karigar retention, and consistent quality of craftsmanship.

Our asset-light model enables us to remain focused on customer requirement, design, and sourcing while leveraging our established karigar network for crafting the jewellery. The semi-finished jewellery then comes back to our team, where we undertake metal and purity checks, finishing, quality control, labeling, and final stages before the product reaches the customer. This model gives us something that is particularly important in our industry, that is flexibility.

We can work with customers on specific designs and collections, cater to large and bulk requirements, and understand customized job work requirements. This combination of craftsmanship, flexibility, and asset-light execution has been one of our important foundation of our growth.

The other important pillar of our business is our clientele. We have built strong relationships with leading corporate and jewellery brands through a pan-India presence, with a significant part of our business coming from corporate customers.

These relationships are built around reliability, quality, timely execution, and the ability to understand and respond to customer requirements. As an organized player, our expertise, visionary approach, creativity, and innovation position us as a preferred vendor, enabling us to grow alongside our clientele.

We have also seen a steady shift towards our corporate customers over the years, with the contribution to revenue increasing from 55% in financial year '24 to 64% in financial year '26, highlighting the growth, growing depth and strength of our relationship with established jewellery players.

Importantly, we do not look at our customer relationship simply as transactions. Our objective is to become a long-term partner to our customers, working with them on designs, collections, and evolving requirements, and increasing our relevance as their own business grows. This is also reflected in the opportunity we see ahead.

As our existing customer expand their store network and product offerings, there is an opportunity for us to increase our share in their requirements. At the same time, we can see considerable grow, scope to strengthen customer retention through co-creation of design, customized designs, consistent quality, and reliable execution.

Our geographic presence provides another important growth lever. Today, we serve across India, with Maharashtra, Bihar, Odisha, Tamil Nadu, and Uttar Pradesh representing our established core markets, where we have developed strong customer relationships.

Our pan-India presence is well-diversified, with West India contributing to around, 32% of financial year '26 revenue, East India to 28%, South India to 21%, and North India to 18%, reflecting a broad-based customer footprint across the country.

When we look back at the journey of Shankesh, the scale-up is significant. We started in 1992 as a handcrafted gold jewellery business. In 2006, Shankesh Jewellers Private Limited was incorporated. Over the years, we strengthened our presence within the industry ecosystem and continued to build our customer and operating platform.

In 2021, the first INR500 crores turnover was achieved. By 2024, the first INR1,000 crores turnover was achieved. In 2025, we converted into a public limited company, and in August '26, Shankesh made its public market debut, with the shares getting listed on the NSE and BSE on the 25th of August, 2026.

For us, the milestone are important, not merely because of the numbers, but because they demonstrate our ability to scale the underlying business. Looking ahead, we see multiple avenues of growth. First, we see a significant opportunity to deepen our relationship with existing customers. As our customers expand our retail network, our objective is to grow alongside them and increase our wallet share.

Secondly, we see a structural opportunity from the organize-, ongoing formalization of Indian jewellery industry. As the industry becomes more organized, we believe established customer relationship, craftsmanship capabilities, quality process, and asset-light production ecosystem can become increasingly valuable.

Third, we will continue strengthening customer retention through co-creation and customized product development. On the fourth stage, we see opportunity to expand our geographic presence while continuing to deepen our presence in our established market. And finally, our asset-light karigar ecosystem gives us the ability to support higher volumes without requiring a proportionate increase in fixed manufacturing infrastructure.

We also believe that the breadth of our product portfolio gives us considerable room to grow with our customers. Our capabilities to expand, extend our bridal, festive, contemporary, and bespoke jewellery across both 22-karat and 18-karat segments.

We have also been steadily expanding our presence in 18-karat jewellery, with a revenue increasing from INR18 crores in financial year '24 to INR221 crores in financial year '26, reflecting the growing acceptance of our product offerings and the opportunity to broaden our addressable market.

So when we look at Shankesh Jewellers today, we see a company with a strong foundation built over more than 30 years, a meaningful customer relationship, a proven craftsmanship ecosystem, pan-India reach, an asset-light offering model, and importantly, a demonstrated track record of scaling both revenue and profitability. The next phase is about taking the foundation to a much larger scale.

We believe the opportunity is not only to add customers, but to become a larger partner to our existing customer, not only to enter new markets, but to deepen our presence in markets where we already have relationships, and not only to grow volumes, but to continue improving the quality and profitability of the growth.

With that, I would now like to hand over to Mr. Sunil Jain, our Chief Strategic Officer, who will take you through the financial performance over the years and for the Q1 of financial '27. Thank you very much.

Sunil Jain: Thank you, Mahavir bhai, and good morning, everyone. I will briefly take you through the key financial highlights for Q1 FY27. Coming to our financial performance for Q1 FY27, we have started the year on a strong note, with revenue from operations at IINR424 crores, growing 55% year-on-year from INR273 crores in Q1 FY26.

Importantly, profitability remained strong, with gross profit at INR66 crores, up by 95% year-on-year and 7% quarter-on-quarter, accompanied by gross margin expansion of 323 basis points year-on-year and quarter-on-quarter, respectively.

EBITDA stood at INR61 crores, increasing 92% year-on-year and 30% quarter-on-quarter, with EBITDA margin improving by 279 basis points year-on-year and 504 basis points quarter-on-quarter. While PAT increased to INR43 crores in Q1 FY27 from INR22 crores from Q1 FY26, showing increase of 100% year-on-year and 36% quarter-on-quarter, with PAT margin improving by 230 basis points year-on-year and 385 basis points quarter-on-quarter.

From a business mix perspective, corporate customers contributed 66% of our Q1 FY27 revenue, while non-corporate customer contribute 34%. Within our product portfolio, 22-karat jewellery contributes approximately 80%, and 18-karat jewellery contributes approximately 20%.

Overall, Q1 FY27 reflects the strength of our underlying business model, with strong year-on-year growth and meaningful sequential improvement in profitability. The expansion in margins and operating leverage demonstrates the scalability of our platform as we continue to deepen customer relationships and grow the business.

Now, let me take you to the financial trajectory, where we wanted to say over the past 3 years reflects a strong foundation and consistent progress. Revenue has increased from INR909 crores in financial year '23 to INR1,062 crores in financial year '24 and INR1,404 crores in financial year '25 and INR1,631 crores in financial year '26, representing a 3-year CAGR of approximately

21.5%. More importantly, this growth has been accompanied by a significant improvement in profitability.

EBITDA has increased from INR23 crores in financial year '23 to INR158 crores in financial year '26, representing a CAGR of approximately 90.1%. PAT has increased from INR10 crores to INR107 crores over the same period, representing a CAGR of approximately 120%.

Gross margin have expanded from 3.9% in FY23 to 11.1% in FY26. At the same time, EBITDA margin have expanded from 2.5% in financial year '23 to 9.7% in financial year '26, while PAT margin have improved from 1.1% to 6.5%. We believe this progression is an important part of the Shankesh story.

The business has not only grown in scale, it has also become meaningfully more profitable as we have scaled with. The financial year '26 ROCE stood at 41.6% and ROE at 50.9%. At the same time, our debt-to-equity ratio has improved significantly from 2.1x in financial year '23 to 0.8x in financial year '26.

This gives us confidence in underlying economics of the business and, importantly, in our ability to scale from platform we have already built. Looking ahead, we see multiple avenues for growth. Thank you. And with this, we can open the floor for Q&A.

Moderator: Thank you, sir. The first question comes from the line of Nishita with Sapphire Capital. Please go ahead.

Nishita: Hello, good morning. Am I audible?

Mahavir Kantilal Jain: Yes, good morning. You're audible.

Nishita: Yes. So, I wanted to understand, in Q1 FY27, we had a Y-o-Y growth of 55%. So, how much of that growth is coming from the volume growth and how much is it because of the price increase?

Sunil Jain: We kept the volume consistent, even though the prices of golds have increased. So, you can say the volume growth is consistent, and the growth of sales is because of the better customer relationship, and actually we have grown the growth from Q1 FY26 to Q1 FY27.

Nishita: No, I understand that. So, when you say that you kept the volume growth consistent, if you could quantify that number?

Sunil Jain: The quantity right now, I can't say. Right now not in handy with me, but it's almost the same.

Nishita: Okay. So, volume from Q1 FY26 to Q1 FY27 is the same, the volume we sold?

Sunil Jain: Yes, approximately same.

Nishita: Right. So, majorly the growth is coming from then the price increase, because the volume has remained same, right?

Sunil Jain: It's basically because of the product mix.

Nishita: Okay. And my next question is, so we had very fluctuating EBITDA margins, like in Q1 FY26 we had EBITDA margins of 11%, 12%, and then in Q4 our margins dipped to around 9.5%, and now our margins have again improved to 14%. So, what is the sustainable long-term margin that we can expect? And what is the reason for this EBITDA margin increase in Q1 FY27?

Mahavir Kantilal Jain: Hi, Nishita, it's Mahavir here. So, technically, if you see quarter-on-quarter, we have different varieties of product which keep on selling. For example, if it's a Diwali product, we have something which is exclusive collection with sales. When it's a normal phase-down period, it's something which is very normal which sale.

So, the EBITDA margins on quarter-on-quarter will keep on changing regarding on the product mix what we sell. And considering in our business, we would, considering the numbers what come in the profit margin rather than the percentage, because profit in, we calculate what amount of profit we get, rather than considering the percentage of the EBITDA or the gross profit.

Nishita: Right. So, on a sustainable level, can we expect the profit margins to be around in the range of 7%, 8%? Because in Q1 again, we've done 10% PAT margins, which is commendable.

Mahavir Kantilal Jain: Basically, see, over the years, Shankesh has grown at a certain pace, and obviously, our future expectations also stays down the same line that we grow at a certain pace, which is almost similar or something better to what we have done earlier.

Nishita: Right. So, is that 10% PAT margin sustainable long term?

Mahavir Kantilal Jain: I will comment you in that way that, see, the product mix and what we are doing right now, obviously, we see that the growth is there in the company and we try to achieve whatever best we can in the coming future as well.

Nishita: Right, okay. So, when you say that our product mix has been better in Q1 FY27, what sort of products gave us better margins, because EBITDA margins have improved in Q1?

Mahavir Kantilal Jain: So, what happens, whenever there's a festive season, for example, we had Akshaya Tritiya in Q1. So, whenever there's a festive season, we have certain collections which are more intricate in design, more detailed designs which are there, which is like handcrafted, totally like it takes more time to manufacture.

For that product mix and whatever collections we make for all our clientele, the corporate clientele, we have to charge up a premium for that, because it takes time, energy, and it takes more intricateness in the design as well. So, whenever there's a collection launch, obviously, we get a good margin over that.

Nishita: Okay, understood. And I wanted to understand, do we also have a B2C segment or are we a pure-play B2B company?

Mahavir Kantilal Jain: No, Nishita, we are purely a B2B company supplying to major corporate and individual store retail partners spread pan-India. So, you name a lot of jewellers all around India, plus even the single stores which are there in any city you go, whether it's Bombay, Patna, or Kanpur, or anywhere, we have the top retailers of every city in our product -- in our customer mix.

Nishita: Right. Yes, thank you so much. That is it from my end.

Mahavir Kantilal Jain: Welcome, Nishita.

Moderator: Thank you. The next question comes from the line of Amit with PNG. Please go ahead.

Amit: Hello. Congratulations. The results are not good, better, but it's the best one in the industry. When everyone is feared about the margins, you're increasing your margins. Very much congratulations to you.

Mahavir Kantilal Jain: Thank you very much.

Amit: My first question is regarding the portion in total clientele, you've mentioned that 66% is a corporate clientele. If I'm wrong, please mention me. If I am right, then you can answer my question. Does it require the higher working capital or whether corporate provides you the advance or any other facilities?

Mahavir Kantilal Jain: Sir, I'll answer this question to you. Basically, yes, you're right that around 60% to 66% is our corporate clientele business what we do. And these clientele select a lot of things from our design, what we have done. The designs that we develop here, pan India's thinking and with everyone, they select from that and we also do co-creation.

So, sir, we do co-creation for these designs and what we make or what they select from our stock, we bill them, sales bill. It goes through a sales bill. So, it is our inventory which is being built to the corporate client.

Amit: But whether corporate client gives you any advance for the development?

Mahavir Kantilal Jain: Yes, sir. Certain times, they do give us certain advance for the development, and it depends. It is a variation. Sometimes they give advance, sometimes they take us in sales bills. Depend on the order size as well.

Amit: Okay, okay. My second thing is any plan to set up manufacturing unit for the machine-made jewelry or to remain only in the handcrafted jewelry?

Mahavir Kantilal Jain: Sir, our niche from the last three decades has been handcrafted jewellery, and Shankesh Jewellers is known for its handcrafted, intricate jewellery. For now, we will still focus on this segment as well, because India is huge and the market is huge. And in the coming future, whenever we get any opportunity, we are open to thoughts.

As even if you see, 18-karat jewellery also, we were the first, we got the first-mover advantage. We started 18-karat jewellery 3 years back in handcrafted, which is a difficult node to make. So, today we've scaled up to a very good level in 18-karat jewellery as well. So, right now, as of now, I would say that I will concentrate on handcrafted jewellery only, sir.

Amit: And any plan for moving further to 14-karat and 9-karat? Because that is also becoming popular with considering the higher gold prices. And in future also, those may move further higher.

Mahavir Kantilal Jain: Definitely, sir. As and when the market requirement comes, as of now for handcrafted, what happens, sir? When it's in handcrafted jewelry, the jewelry is made by hand. So, in 18-carat, the gold becomes a bit harder. And when you go down the lane, whether it's 14-carat or 9-carat, the gold becomes harder.

So, we are obviously researching ourselves how we can do it. And if the market demands, then we will definitely go in that line as well, sir. We already started researching ourselves that how we can bring the product mix in 14-carat and 9-carat as well. But as of now, we are not into 14-carat and 9-carat. We are into 18-carat and 22-carat only, sir.

Amit: Any plan for the studded diamond?

Mahavir Kantilal Jain: As of now, not thought of it, sir. As the, if the market is requiring, for sure, we'll get into that sector as well.

Amit: Okay. Thank you, and all the best for your future.

Mahavir Kantilal Jain: Thank you very much, sir.

Moderator: Thank you. The next question comes from the line of Lavita Lasrado with Bob Caps. Please go ahead.

Lavita Lasrado: Hello. I have two questions. Sir, I would like to understand the handcrafted jewellery, how is the making charges or the wastage loss in the industry versus the machine-made jewellery?

Mahavir Kantilal Jain: So, the first question I'd like to answer that as we specialize in our handcrafted jewellery and it takes time to make that kind of jewellery because every piece is being delicately designed and everything. So, our wastages are vary in a long way. It goes from around 4% to 14%. There's no significant wastage for the same. And technically, machinery, we don't specialize so much into, so won't be able to comment on that same.

Lavita Lasrado: Okay. So, what would be the turnaround time for making this handcrafted jewellery? How many days do you get it done in?

Mahavir Kantilal Jain: It takes around two to three weeks to manufacture some quantity of jewellery. Like if you, if there's a product which has got around 20 pieces or 15 pieces or 10 pieces of it, it takes around two to three weeks to manufacture that.

Lavita Lasrado: Okay. As on the second question, I have, I would like to ask your volume outlook for next 3 years and your sustainable EBITDA margins in your handcrafted jewellery business?

Mahavir Kantilal Jain: So, considerably, over the past 3 years, we've grown at a good percentage. Obviously, in the future also, we expect something better to happen in the company. And talking about the margins as well, as spoken earlier on this call, that technically, yes, we see the future is bright for the kind of product mix what we are doing, the wedding jewellery what we're doing to our customers, the bridal jewellery, the jhumkas, whatever we do, from top to bottom, where the bride is getting married. We are specialized into that, so we see the future bright in this segment ahead as well.

Lavita Lasrado: Sir, would you be able to give any numbers to the CAGR, your future volume outlook, and at least for next 3 years? Any visibility if you can provide?

Mahavir Kantilal Jain: Sorry, as of now, I'm not ready with any figures in my hand. But obviously, as the future comes in, quarter two, quarter three, we'll be ready with things in hand as well.

Lavita Lasrado: Okay. Thank you so much.

Mahavir Kantilal Jain: Thank you.

Moderator: Thank you. The next question comes from the line of Amar Nath with OIR Fund. Please go ahead.

Amar Nath: Yes, hi. Am I audible?

Mahavir Kantilal Jain: Yes, you're audible.

Amar Nath: Am I audible?

Mahavir Kantilal Jain: Yes, yes. Please go ahead.

Amar Nath: Yes, just now what you the answer given to the previous participants that you the inventory of the gold is your inventory, is not the inventory provided by the customer. And into the very highly fluctuated gold price, how do you hedge yourself? Means if the gold prices come down, so and there's an inventory loss you have to take, right? So, is there any mechanism in the company to hedge the gold price?

Mahavir Kantilal Jain: Yes, sir. So, technically, in our company, we following a policy which has been going over years. We buy what we sell. Basically, if I've sold something today, we immediately procure it at the current market price. So, technically, the loss of hedging the gold again at the same price is never there for the company, sir.

Amar Nath: So, if that is the case, I'm just trying to understand, your quarter-on-quarter margin is improving. If you look at Q4 of last year, Q4 and Q1, whereas in the Q4 the gold prices was the highest by the end of March '26, whereas by June 2026 the gold prices came down almost by 10% if not more. So, while the gold prices coming down quarter-on-quarter from Q4 2026 to Q1 of 2026-'27, how your exact margin is improving substantially compared to Q4 when the gold prices just keep on falling compared to Q4 as a base?

Mahavir Kantilal Jain: So, technically, sir, as our accounting system, we follow an average method system for our accounting. So, if you see, our gold book value is in on an average method. So, technically, whenever there's a Q4 versus Q1 comparison, you will see a difference is there, but when you compare Q1 to Q1, you will see that the margins are still decent.

Amar Nath: Yes. That I understood. So, is this margin improvement is a major function of the product mix? For example, you are moving towards -- more towards 18-karat where the margin is better than the 22-karat?

Is it -- because you had already said the volume of the gold what you have processed, probably more or less same. It is not a volume-based growth and -- but it is more of a price mix-based growth. Is it, the understanding correct?

Mahavir Kantilal Jain: Definitely, sir. Whenever we move to a new product mix, for example, 18-karat, what we've introduced, gives us a better cut over the 22-karat what we've been doing. Because 22-karat is going on over years and 18-karat was something newly introduced. So, definitely, we get a better cut over that, sir.

Amar Nath: So, can you give us, without going to the details, can you give us just a fair idea that what is the difference between your making overall between 22-karat and the 18-karat? Without going to specific, just a rough idea, how better it is? So, it is good for us to understand the more you go towards 18-karat of processing, as that is the new trend in the industry, how your profitability or specially the EBITDA margin can have an impact, just to get an idea?

Mahavir Kantilal Jain: So, technically, sir, I answered earlier as well, we charge, we have a product range mix of certain percentage from 4% to 14%. So, technically, looking forward today also, our 22-karat is the major driver, plus 18-karat is a growing market for us. So, technically, if you see the margin percentage are good in both the industry, but obviously 18-karat takes a bit time, so we can fetch a bit higher margin.

It's not like that extravagant higher margin we get in 18-karat, a bit higher margin we can fetch in 18-karat, sir. But it majorly depends…

Amar Nath: Okay.

Mahavir Kantilal Jain: On the product mix, the design what we make, the quality of the product what we make, to the customers whom we sell. There are a lot of factors included in it, sir.

Amar Nath: Okay. And when does your operating cash flow turn positive, and how is growth funded once the INR38 crores working capital proceed is spent?

Sunil Jain: Basically, if you will see the cash flow margin, cash flow operating margin is -- because we don't have the long-term funding. And every time, we did a little bit of, you know, capitalization in our offers, the office furniture, office equipments, computers, etcetera. But we don't have any long-term funding.

This quarter, as you know that 25th of August is our listing. So, till now, in the Q1, that effect has not been there. But once we put on the capital, obviously, our cash profit operating margin will be there.

Amar Nath: So, effectively, you are saying, up to now, you are funding your gold inventory using the working capital short-term loans. But now, after the IPO, you will partly going to fund through your equity, because one of your objective of IPO is to reduce the debt. And you don't have a long-term debt, you only have a short-term debt.

So, as per your prospectus, you're using this equity to repay a working capital loan, which is funding your inventory. That means effectively you try to do an equity funding for your inventory, which is short term in nature. Is it the strategy?

Sunil Jain: It's not actually the short term in nature, because the business is growing and the requirement of working capital is also growing. It's not that right now the requirement is there and tomorrow it won't be there. So, we are growing, the business is growing, so there is a requirement of more working capital.

And working capital, right now, we are funding through the equity. Earlier also, we did the same. Whatever profits we earned, we put in the business.

Amar Nath: Okay. So, that means all your profit more or less ploughing back for funding your inventory, because that is your main source of income, right?

Sunil Jain: Yes, sir.

Amar Nath: Okay. And just one more. Now, more of this, whenever we look at the conference call of all those your customers, whether it is Kalyan or P.N. Gadgil or all the customer you listed, more or less they say one thing that they are going more integrated models. That means, instead of they outsource their karigari to the company like you, they are going mostly in-house and they're appointing the karigars mostly their on their own.

Now, once those your customers going more towards an integrated model, how big that is a threat for you? Because if they started doing everything on their own, then the value what your company is, which is a kind of an outsourcing karigari model, how sustainable it is?

Mahavir Kantilal Jain: I'd like to answer this question. It's an interesting question, sir. So, what happens is, as we precisely said very thing that Shankesh Jewellers specializes in its handcrafted jewellery. So sir, this handcrafted jewellery that is made, it takes years of experience of the promoters as well, but and the karigar as well.

The karigar network what we have, the creativity what we have, the designing structure what we have, it is not that today we download it from a computer and it's made it in two days. It's like, I would like to give you an example of a masala chai made by hand and a chai made by a machine. You would rather prefer a tea having made by hand which has its own specialization, it has its own masalas and everything.

So, technically, Shankesh Jewellers is also the same. We are an handcrafted jewellery. We If you can see our customer mix, we mentioned in the presentation as well, is the top leading customers of the industry, plus we serve to around 800-plus customers all around India. So, our customer mix has always appreciated the design what we make, the quality of the design, the weightage of the design, if you can say.

So, customers' appreciation has been there over the last three decades. It's not an overnight journey for Shankesh Jewellers. People, our retail partners have been manufacturing from I think long back, going ahead also, they'll do the manufacturing. But this co-creation, the design structure, the design mix, they will obviously remember someone like Shankesh Jewellers to be a part of their journey because when you go to retail, one design, for example, if I tell you about machine chains, you don't like the machine chain. You want handmade chains, handmade jhumkas, handmade bangles. So, it's always a mix of all the things.

Amar Nath: Yes, thank you. For this clarification, it's helpful. I'll probably ask the last question if you may allow. The question was, now, and a market when almost all jewellery company not able to make the higher margin because of very fluctuating gold prices is going up and going down. And as the bond yield, you might be knowing, is increasing in the current geopolitical situation, it is putting a pressure on the gold prices overall internationally, and of course it will have an impact in India as well.

Now, what exactly you have a moat in your business? Because this is a very kind of a business which many people can do, especially if you go to Bengal and others, these karigars are doing the business for hundreds of years. What you explain your investor, what kind of a moat you have that will keep your customer growing in an industry where many of your players are already existing and far larger than you.

And you are showing your balance sheets and the profits is consistently, your margin is increasing in a very high demanding environment. So, without giving a figure, if you can explain that what is exactly the moat which is differentiating you compared to your partners across the India, which may be much larger than you in size?

Mahavir Kantilal Jain: A good question. For us, if you see, Shankesh Jewellers has always been into handcrafted jewellery, and like we told you initially also, that our jewellery is attached to emotion. Like we see around 3 lakh to 4 lakh weddings happening every year in this country, and when it is attached to emotion of a daughter, a father would never let her be less decked up as a bride.

And our major contribution in the industry, 60% of our sales comes from almost bridal jewellery. And our specialization over the years is in bridal jewellery. So, technically, where I might say where there's emotion attached to certain things, there's no compromise happening at any place. So, technically, we see that the sector of the bridal, because marriages will not stop happening.

India has a tradition which follow decked-up, dhoom-dham wali shaadiyan. I feel that things will go, if you've done something for your first daughter, for the second daughter you will do better than that. So, as an emotion, I feel India is growing. And India, as we saw the GDP also at 7.8%, which was remarkable for the country.

So, we see in India spending happening ahead also in the years, and with the jewellery where there's an emotional touch attached to it, growing over the years, sir.

Amar Nath: Sir, that was not my question, sorry to say. My question was how you differentiate yourself as a company compared to your peers, which are larger? Because whatever you are saying, that's applied to everybody. Even your competitors, even your peers, having the same macro environment where you are working.

I'm just trying to understand what makes Shankesh Jewellery something unique in its position compared to its peers, where you are showing by your profit and loss statement that your margin is consistently increasing in a very challenging market environment? So, what exactly differentiates you from your peers?

Mahavir Kantilal Jain: As I told you earlier also that peers, I can say that my product mix is purely handcrafted. There is nothing related to machines or factories here. So, that emotional attachment makes me gives me a step forward for that, plus the product mix, the design mix, the co-creation what we do for our customer has always kept us as a preferred vendor for all our customers, sir.

If you will see, certain awards also we've taken as a preferred vendor for our company. We've taken certain recognitions also from the industry which has which has told that you are one of our preferred vendors or preferred suppliers to our customers. So, we've always been getting that compared, see, the market and the industry is large and I hope everybody's doing fabulous business in this industry, and they'll keep on doing good business in the industry.

But, yes, Shankesh Jewellers also will not be left behind. We'll also be a step forward also. Our relationships with our customers...

Amar Nath: Thank you.

Moderator: Thank you. The next question comes from the line of Bijal Shah with RTL Investments. Please go ahead.

Bijal Shah: Yes, hi. Thank you very much for the opportunity, and congratulations on your listing. I have three questions. So, first is Shankesh Jewellers has been always making this intricate design and complex designs over its history, or it is something recently which you have started?

Mahavir Kantilal Jain: No, sir, it's since the start of the firm, from small-scale, it's been always concentrating on our handcrafted jewellery only, sir.

Bijal Shah: Okay, sir. So, sir, I have -- I mean its honestly, my question is relating to the margin. Honestly, I am just unable to understand the margin. Now, I look at it from any cut, you were doing this kind of work earlier also. In F23, your gross margin was 4.9%. In 1Q F27, your PAT margin is 10%. Most of the jewellers do not have PAT margin of 10% even today. Even most of them don't have EBITDA margin of 10%.

If you look at Kalyan, if you look at Titan, who are actually selling the gold, who are getting the customer and selling it, they don't have. If I see other jewellery maker who are listed, who are B2B, they also do not have that kind of margin. Nobody has seen this kind of margin expansion. And I understand that you can, you are telling me about product mix, but I really do not think that product mix can explain this.

So, this 2.5% EBITDA margin going to 14% margin, which is probably the highest in the industry, can you give us some mathematical number that what is your product mix which has changed and what is the margin in that category and how it has changed? And this is how mathematically the margin goes up from around 2.5% to 15%, 14%?

If you can give, and I understand Q1 might have some seasonality, but if I look at F23 and F25, it is 2.5% margin going to 10%. So, can you give us some mathematical idea exactly what was your product mix in F23, why the margin was low, and what is your product mix in F26, and why margin has gone up?

Mahavir Kantilal Jain: Sir, one thing I would say that we are blessed to be in the business of gold jewellery where…

Bijal Shah: Sir, all the companies are in gold jewellery. I am comparing with only gold jewellery company, and none of them have seen this kind of margin expansion. So, I am just trying to understand, see, I understand the macros, I completely understand everything, and we understand the gold thing. So, the thing is that your margin number and your margin expansion both are stand out, and they are stand out by a margin.

So, I really want to understand mathematically if you can give us some idea that this was your product mix in F23, this is in F26, and this is why your margin has increased?

Mahavir Kantilal Jain: So, technically, yes, the product mix, what you told, was one of the chapters, but there has been a lot -- so as I told you, we are blessed to be in the gold jewellery business. The gold price has also helped us to achieve a certain percentage of margin in our profit percentage, what you say today. It is not like, and if you see compare my peers, there's not like someone at 2% and someone at 12%.

We are somewhere around sailing on the same boat, but if you compare year-on-year, there will be a 1% or 2%, 2% or 3% plus minus in the margin, which comes due to the gold price gain as well.

Bijal Shah: Sir, this quarter there was no gold price gain, as gentleman before me explained, and your margin has expanded. And I do not see in this quarter any of the company which is there in gold have seen. I would just say, I mean, you are giving a very generic answer. Would really help if you can give probably in presentation very specific numbers that how your margin has gone up and what is the inventory gain and what is not the inventory gain?

It is extremely surprising that this quarter, ideally, you should have an inventory loss, and in that you are seeing a margin expansion. So, if you give much more granular details, people, investor would get much more confidence in your number. So, that is my suggestion, you can consider?

But moving on to the last question. See, you are saying that you get better margin because of you are doing detailed and intricate designing. Now, in the presentation you have put, you are saying INR8 lakh crores is the market of India's jewellery market, of which more than 50% is bridal. So, it is more like INR4.5 lakh crores Your turnover is INR1,500 crores or so.

So your customers must be sourcing a significant amount of bridal jewellery of I would assume, similar complexity from everyone else. Then why should they pay you more margin? Because it doesn't seem that you are like 90% of the market or 70% of the market in that intricate segment which you are talking about. It seems from the top-down number, there are like many people like you. And I mean you are just like, you might be only 2%, 3% of the market. So, just trying to understand why they pay you higher margin which you were saying.

Mahavir Kantilal Jain: Sir, definitely, if I see bridal market is huge in the industry and there is a lot for us also to scale as well in the same segment. Technically, if you see there's no listed players who specialize in the bridal jewellery segment. But, yes, whenever there is a retail store, a retailer has to take from 10 to 15 people depending on what designs they like, what customer? What relations he has with the supplier? What credit we are offering?

There are a lot of things which matter when our relationship goes into, when our transaction goes into chapter, I would rather say. So, technically, yes, I would say that people are procuring from other players also and from us also, but we get a lead over our handcrafted jewellery as of now, sir. And talking about numbers, I do not have anything in my hand as of now to talk to you, but definitely, in the coming future, we will give you the details for the same.

Bijal Shah: Okay, sir. Thank you, and all the best.

Mahavir Kantilal Jain: Thank you, sir.

Moderator: Thank you. The next question comes from the line of Mohammed Nameer with Eiko Quantum Solutions. Please go ahead.

Mohammed Nameer: Hi, thank you for the opportunity. I have two questions. First, regarding your…

Mahavir Kantilal Jain: Sir, you are not audible. Please, can you be a little bit loud?

Mohammed Nameer: Am I audible now?

Mahavir Kantilal Jain: Yes.

Mohammed Nameer: Yes. I have two questions. So, one is regarding on our business operations perspective. Given that your core differentiator is handcrafted jewellery, how are you addressing the potential manufacturing throughput and scalability constraints compared to peers utilizing automated CNC or 3D printing technologies? How do you manage the labor availability, lead times, and unit economics as you scale up the volumes?

Mahavir Kantilal Jain: So, technically, sir, what happens is when you are into handcrafted jewellery, no, the handcrafted jewellery, the more number of minds which will get into it, the more intricate designs you get it. So, technically, as of now, we follow the same asset-light model, and in handcrafted, we might use certain pieces which are from the 3D printing and all that, but it's a very minimal portion, just to give a touch of tadka to it, to a new design technically.

But our major focus will still stay into the handcrafted segment only, sir. And our job workers over the years have been so precise on their designs and their creativity day in, day out, that every day there's something new coming on the table, sir.

Mohammed Nameer: Sir, do you see any bottlenecks in terms of scaling up the volumes that you manufacture?

Mahavir Kantilal Jain: Sir, as of now, so I don't see any we have the karigars strength what we have, I don't see any bottleneck in the coming future to scale up to a certain level, obviously. But whenever we face any challenges, we are ready. We are very open-minded and ready to accept new things in our organization.

Mohammed Nameer: Okay, understood. My second question is your business is growing fast, but working capital needs are keeping operating cash flows negative. How do you plan to fund this growth going forward? Would it be internal accruals through debt, or you will raise more equity going forward?

Mahavir Kantilal Jain: Sir, technically, whatever profit is being earned in the company is always taken back to the company. One is that which serves the working capital requirement, and obviously there is a daily requirement of working capital in the company. So, going forward, as and when required, the I think the doors for the banks are always open for us.

They've been supporting us for all the more years, I think since the growth, since 2009 or 2008, the bank doors were always open for us. And in the coming future also, whenever we require, obviously we have the bank doors open to us, plus equity doors open to us. So, right now, if we see, in the last 15 years, we've been supported by the banks. Now, we have two doors open for us at any point of time if we have business in hand to grow.

Mohammed Nameer: Got it. My last question would be what percentage of your inventory is hedged now? Is it 100% or you are somewhere 50%, 60% or something like that?

Mahavir Kantilal Jain: Sir, right now, we follow the method of what we sell, we buy. So, technically, whatever is being sold during the day is being immediately bought at the current market price. So, that is the hedging policy where we follow in the company right now.

Sunil Jain: And inventory valuation is basically a weighted average, which is right now quite below the market price. Right now, we don't think there is requirement of hedging of inventory.

Mohammed Nameer: Okay. What do you think, what could be your steady-state inventory turnover?

Sunil Jain: Inventory turnover is right now it's approximately 8 turns.

Mohammed Nameer: Okay, got it. Thank you so much. All the best.

Moderator: The next question comes from the line of Aniket Salunke with Sunrise Gilts. Please go ahead.

Aniket Salunke: Hello. Good morning, sir. Am I audible?

Mahavir Kantilal Jain: Yes, you're audible. Good morning.

Aniket Salunke: Okay. So, my first question was about growth constraint. Since you mentioned that the equity funds will be primarily support the working capital, if your current growth momentum continues, what do you see becoming the first constraint to growth, working capital availability or customer acquisition?

Mahavir Kantilal Jain: Sir, technically, if you see, we've invested our profits in the business, so currently, for the short term, our working capital requirements are well met. So, as we spoke in the last answer as well, if there is any requirement for working capital in the coming future, we have two doors open to us and we can go forward with any of the door.

And technically, what happens is, as we are growing day-by-day, whenever we need it, we are going to go back to those hands again. But for now, as the business is running, as we are scaling, the working capital what's there in the company is perfect, sir.

Aniket Salunke: And which would be your preferred path, equity or debt?

Mahavir Kantilal Jain: Sir, that decision will be taken as and when required only, sir. Right now, can't comment on anything like that.

Aniket Salunke: Okay. And one second…

Mahavir Kantilal Jain: Or what percentage or how much is the amount, whether it's big, small, what is needed, depends on what orders we are getting. If depends there's a lot of things, ifs and buts on that question, sir.

Sunil Jain: And our equity has already been doubled. If you will see, it was like INR209 crores as on financial year '26, and after IPO, it will be approximately INR450 crores. Taken by the way of IPO. Let's see how it goes year-after-year. So, we have enough capital for increasing our volume and acquiring more customers.

Aniket Salunke: Okay. Sir, and my second question is on like just a follow-up on a point raised by our previous analyst regarding customers bringing their own karigars in-house. So, once you acquire a new customer, typically how long does it take for that relationship to become meaningful in terms of revenue and profitability?

Mahavir Kantilal Jain: Sir, voice is cracking, we are not able to listen to it properly.

Aniket Salunke: Is it clearer now?

Mahavir Kantilal Jain: Yes, now.

Aniket Salunke: Okay. So, I am just following up on a point raised by previous analyst regarding customers bringing their own karigars in-house…

Moderator: Excuse me. Aniket, can you please use your handset?

Aniket Salunke: I'm using that only. Is it clearer now?

Moderator: Yes, better. Thank you.

Aniket Salunke: Okay, yes. So, I am just following up on a point raised by previous analyst regarding customers bringing their own karigars in-house. So, once you acquire a new customer, typically how long does it take for that relationship to become meaningful in terms of revenue and profitability?

Mahavir Kantilal Jain: So, technically, a customer getting onboard depend on what kind of customer it is. If it's a corporate client who will do a co-creation, who will do certain design mixes, certain collection launches, it takes some time. But when it's a single store owner, it happens from the first transaction, sir. From the first transaction, the company there's some relation built-in happening.

From the first bill what is going, we have our customer relationship onboard from the first day. But for corporate clients, it takes certain period to build up that relation and then get onboarded. And as the as you see, the journey has been over the past three decades. So, it's a long journey where Shankesh Jewellers has been present in the industry for a long time.

Aniket Salunke: Okay. And going forward, which segment would you prefer to grow faster, corporate or non-corporate?

Mahavir Kantilal Jain: Sir, as a businessman, I would accept and invite all the customers who come to me. Whoever is there who's willing to work with Shankesh Jewellers will always be welcome. But technically, if you see, yes, the people in the industry are getting organized day by day, and the structure and the percentage of corporate business in the industry is going, growing.

Aniket Salunke: Okay. Understood. Yes, thank you, sir.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to Mr. Mahavir Jain for closing comments.

Mahavir Kantilal Jain: Thank you. Thank you for joining us today for the earnings call. We sincerely hope that all your queries were addressed during the call.

Moderator: Excuse me. Sir, there's a question. It's from the line of Amar Nath from OIR Fund. Please go ahead.

Mahavir Kantilal Jain: Please.

Amar Nath: Yes, sorry to enter last moment. I have one questions, one more compared to what we discussed before. Now your trade payables are quite low where compared to you give some credits to your customer, right? So, that means you are saying that you almost buy mostly on cash.

Mahavir Kantilal Jain: Sir, can you repeat? The voice is cracking a bit.

Amar Nath: Yes, can you hear me now? Is it clear?

Mahavir Kantilal Jain: Yes, yes.

Amarnath: Yes. So, I'm just asking about this part of this your receivable and payable side. As your balance sheet is showing, probably you are paying your customer, paying your suppliers more or less in cash, and you are probably giving some credits to your customer in terms of getting your payment done. Is this understanding right? That means, is there a working capital gap at that side as well?

Mahavir Kantilal Jain: Definitely, sir. We have to give some credit to our customers as that relationship grows deeper and deeper day by day. Because if you scale up within the same customer and the relationship has been over years and they are certain known customers from the industry, there is always some credit included to the customer side, sir.

Amar Nath: No, that's fine. I'm just thinking since your margin is thin and if that side of working capital also required to be funded, assuming by the working capital loan, then where is the leverage? Means, I'm trying to understand from the return on equity and return on capital employed point of view.

If your -- even that receivable and payable gap is also there and you're paying to your supplier almost instantly and giving some credit to your customer, that that means there is a working capital gap in that side as well along with your working capital requirement for inventory storing, that is for the gold.

And if I assume that is being funded through your working capital loan, where you can get around 8% to 10%, I don't know what is your average cost of your working capital loan, where is that leverage? How your return on equity will improve?

Because currently your ROE and ROCE is superb, around 40%. And normally very difficult to see a small players, in terms of your revenue, to have that kind of an ROE and ROCE. I'm just trying to understand that math, from where this ROE and ROCE is coming, where you have a lot of working capital gap in debtors and creditors plus an inventory management where the lot of cash is getting stuck?

Sunil Jain: Hi, sir. I think your question is coming from that why the trade receivable has increased significantly. Because if you see the trade receivable is approximately 20 to 22 days. So, as on balance sheet date, that because the gold prices has increased. So, if you will see the trade, the trade debtors, which is appearing INR126 crores, is almost like 22 to 23 days only.

Regarding ROCE and ROE, sir, till now we are doing very good. It's basically the asset-light model where our all the capital has been invested in the inventory and our inventory turn is good.

Amar Nath: And how much is your inventory turnover, if you can give that figure? What is your inventory turnover?

Sunil Jain: Eight. Eight times in a year.

Amar Nath: How many times? Eight times?

Sunil Jain: Yes.

Amar Nath: Wow, that's great. Yes, thank you, thank you very much. Management, since you are a new IPO company and listed in the market, you know, this question has just been, you might have already seen in the last 1 hour, we, as an investor and a fund house, we need a data. And I appreciate your answers in all the questions, which is quite generic in nature, sir.

We need certain figures, certain growth outlooks, and certain quantified numbers. A verbal explanation can help, but the question is since many of the participants has asked, including me as well, because your current numbers are quite extraordinary compared to what your peers are already delivering in the market, I'm talking about the listed peers, either it is a B2C players and even B2B players, some of them which is listed, like Sky Gold.

So, when you are some kind of an extraordinary things, it is better to be explained by numbers to the people to understand from where it is coming, and then we can understand whether it is sustainable going forward, or it is maybe happening for one-time situation, either due to the increase in the gold prices or due to sudden increase in the mix.

Maybe this quarter, you may be having huge order for 18-karat golds where your margin is better, maybe next quarter that may or may not be there. Maybe the gold prices, this price is high, as a result of which you got higher margin. If the gold prices go down, your margin will come down. These are the very normal question in the in the minds of the investor, which require quantification. A general answer might not help.

Sunil Jain: Sir, we appreciate your feedback. We can get on the separate call for more details, we'll give more clarity as we go ahead in the financial year. Right now, the Q1 results are not with investment of the IPO money, because our IPO money came after the Q1 results. So, this Q1 results is our normal business. And you can write a mail to our IR agency at any point of time, and we will get back to you on these queries.

Amarnath: Thank you very much. Thank you very much for your patience answering all these questions. Thank you.

Sunil Jain: Thank you, sir.

Moderator: Thank you. The next question comes from the line of Ajit Sahu with IDBI Capital. Please go ahead.

Ajit Sahu: Thank you. Thank you for the opportunity. I hope I'm audible.

Mahavir Kantilal Jain: A bit low, but can you -- if you can raise your voice a bit.

Ajit Sahu: Okay, sure. So, my first question is on the number of job workers. So there has been a steady decline in the number of job workers. So, could you please help me understand these numbers? And the attrition rate of job workers has also increased a lot in FY26. So, could you please help me understand this?

Mahavir Kantilal Jain: So, technically, sir, this question, what happens is the industry has got organized over the years. So, it's just that we do contract manufacturing with our workers. It's not just that number, we have around 700 to 800 people working under them who make jewellery for us, sir. So, it is not only that particular number who makes jewellery, there are many other people who associate.

For example, someone would have 20 people under him earlier, right now his capacity has increased and grown to 30 people or 35 people under him. So, that number, what happens, we prefer working with organized and better players who can give us better designs and better quality and finish. So, that's where you see that attrition. But overall, if you see, as we've scaled up, the number of job workers under the contract manufacturers have always increased, sir.

Ajit Sahu: Okay, okay. So, does this define the capacity of the maximum sales which you can do will be driven by these numbers, the number of job workers or the karigars working under them?

Mahavir Kantilal Jain: Can you just repeat your question, please? Sorry, I didn't hear.

Ajit Sahu: So, I want to understand, I mean, with these, so right now as of FY26, you have 72 job workers. So, with these job workers, what could be the scale you can reach in terms of sales? And to -- so just trying to understand, this is the primary driver for sales or?

Mahavir Kantilal Jain: Sir, 72 is just the number of contract manufacturers, as I told you earlier also. People and their manufacturing facilities under them is huge. They can scale up to whatever quantity as of now required, say maybe 30%, 40%, 50% of the growth can be easily scaled up through them only.

And definitely, as and when we grow, and there are newer designs, newer thoughts, newer minds coming into market at every day, so there's no thing, there's a full stop as there's no addition into new karigar bases or anything, there's always scope of increasing in all skills, sir.

Ajit Sahu: Okay, understood. And sir, two bookkeeping questions. So, first one, there is a decline in employee cost on sequential basis, like, in Q4 it was INR11.3 crores and now it is INR3.3 crores. And so, I wanted to understand, I mean, why a substantial decline in employee cost, and similarly on the other expenses side as well, so?

Mahavir Kantilal Jain: Yes. It's talking about the employee cost, right?

Ajit Sahu: Yes, employee cost.

Mahavir Kantilal Jain: One minute, Sunil bhai will answer this. Wait, Yes. Wait, just a minute. Are you talking about the Q1 and…

Sunil Jain: One minute, Sunil bhai will answer this. Wait, Yes. Wait, just a minute. Are you talking about the Q1 and…

Ajit Sahu: Q4.

Sunil Jain: Y-o-Y comparison?

Ajit Sahu: Q-o-Q. I'm comparing Q-o-Q.

Sunil Jain: Q-o-Q comparison? So, you are saying that Q4 '26 is showing a more employee cost?

Ajit Sahu: Yes, INR11 crores.

Sunil Jain: That is because of the ex-gratia payment taken by the directors. This time, we already decided that there won't be an ex-gratia, and the employee cost will be substantially low.

Ajit Sahu: Okay, okay. So we can assume that this INR3.3 crores and this -- so, the upcoming quarters will see employee cost ranging around this number and not going upwards like INR11 crores?

Sunil Jain: Yes, even less.

Ajit Sahu: Understood. Thank you, sir.

Sunil Jain: Yes.

Ajit Sahu: That's it from my side.

Sunil Jain: Thank you.

Moderator: Thank you. Yes, sir, Mr. Mahavir, sir, you can go ahead with the closing comments.

Mahavir Kantilal Jain: So, thank you, everyone, for joining us today on the earnings call. We sincerely hope that all your queries were addressed during the call. Should you require any further information or assistance, please feel free to reach us to Stellar IR Advisors Private Limited, our Investor Relations Advisors who will be happy to assist you. Thank you once again for your time and participation. Have a great day, everyone. Thank you.

Moderator: Thank you, sir. On behalf of Shankesh Jewellers Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines. Thank you.