PNG JEWELLERS

Date: February 16, 2026

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
Scrip Code: 544256

To,
National Stock Exchange of India Limited,
Exchange Plaza, C-1, Block-G, BKC,
Bandra (East), Mumbai – 400051
Symbol: PNGJL

Subject: Transcript of Conference Call

Dear Sir/ Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of audio call of the Conference Call held on Tuesday, February 10, 2026, at 03:00 P.M (IST).

The details are also available on the website of the Company at https://www.pngjewellers.com

Kindly take the above information on your records.

Thanking You.

Yours Sincerely,
For **P N Gadgil Jewellers Limited**

PRAKHAR GUPTA
Digitally signed by PRAKHAR GUPTA
Date: 2026.02.16 12:02:27 +05'30'

Prakhar Gupta
Company Secretary & Compliance Officer

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"P N Gadgil Jewellers Limited"

Q3 FY '26 Earnings Conference Call

February 10th, 2026

MANAGEMENT: **MR. SAURABH GADGIL – CHAIRMAN AND MANAGING DIRECTOR – P N GADGIL JEWELLERS LIMITED**

MODERATOR: **MR. RAJIV BHARATI – NUVAMA WEALTH MANAGEMENT**

Moderator: Ladies and gentlemen, good day and welcome to P N Gadgil Jewellers Limited Q3 FY '26 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 touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Rajiv Bharati from Nuvama Wealth Management. Thank you and over to you, sir.

Rajiv Bharati: Thank you, Shruti. On behalf of Nuvama, it is our absolute pleasure to welcome you all to P N Gadgil Jewellers Q3 FY '26 Earnings Conference Call. From the management, today we have Mr. Saurabh Gadgil, Chairman and Managing Director.

I would now hand over the call to the management for the opening remarks. Over to you, Saurabh.

Saurabh Gadgil: Thank you, Rajiv. Good afternoon, everyone and thank you for joining us today for the P N Gadgil Jewellers Q3 FY '26 Earnings Conference Call. I hope all of you had an opportunity to review your financial results, our press release and the investor presentation, which are also available on the stock exchanges and on the company's website. I would like to welcome Mr. Deepak Vijay, who has recently joined the company as the Chief Financial Officer.

Coming to numbers, this quarter gold prices continued their upward trajectory, marking a rise of over 70% year-over-year and 15% on a quarter-on-quarter basis. Despite the elevated price levels, the consumer sentiment remained resilient.

The quarter witnessed strong momentum starting with Dussehra, gaining further traction during Diwali and ending on a positive note aided by the wedding season. Traditional gold jewellery remained a core focus, while lightweight jewellery continued with upward shift amid price volatility and shifting consumer preferences.

We launched three exclusive company-owned stores during the quarter, marking our entry into Patna, Bihar and taking our store count to 66 at the end of the quarter. Starting with a strong presence in Maharashtra, P N Gadgil steadily expanded its footprint to five states across India with operations now spanning Maharashtra, Goa, Madhya Pradesh, Bihar and Uttar Pradesh.

We have also strengthened our brand outreach across India by appointing Ranbir Kapoor as the new Co-Brand Ambassador, ushering a new chapter of legacy and modernity. Further, we have also onboarded Sara Tendulkar as the Brand Ambassador for Litestyle, marking a key step in strengthening the brand's connection with India's future jewellery consumers.

I will now walk you through the financial highlights for Q3 of FY '26. For the quarter, Consolidated Revenue from Operations grew by 35.6% year-on-year to INR 3,302 crores. Gross-Profit rose by 98.2% year-on-year to INR 474 crores. EBITDA grew by 109.4% to INR

271.7 crores. While net profit surged 98.6% year-on-year to INR 170.9 crores, with the net profit margin standing at 5.2%.

For the nine-months ended FY '26, the Consolidated Revenue from Operations stood at INR 7,194.8 crores. Gross Profit rose by 86.8% year-on-year to INR 957.9 crores, with the Gross Margin standing at 13.2%, while EBITDA grew by 105.3% to INR 537.7 crores, with an EBITDA Margin of 7.5%. Net Profit for the same surged by 104.5% year-on-year to INR 319.6 crores, with a Net Profit Margin at 4.4%.

The retail segment contributed INR 5,524.4 crores in revenue, a 34.5% year-on-year growth and accounted for 76.8% of total sales, reinforcing the position as the company's primary growth driver. E-Commerce and Franchisee segments also reported strong performances. E-Com Revenue stood at INR 377.4 crores, resisting a growth of 125.8% YOY, while the Franchisee Revenue rose to INR 864.8 crores, reflecting a 65.4% increase YOY.

On the customer front, engagement continues to strengthen. Our transaction volumes were up by 35%, with an Average Transaction Value i.e. ATV of INR 1,03,065. Footfall grew by 33%, supported by a strong conversion rate of 94%, demonstrating sustained consumer interest despite volatile gold prices.

Festive demand was a key growth driver in this quarter, with record-breaking sales of INR 190 crore-plus on Dussehra and INR 606 crores on Diwali, leading to the highest ever monthly sale of INR 1,800 crores in October month. At the store level, the same store growth continued strong for the quarter, was at 33%, and for nine months, December ended 2025, average revenue per store stood at INR 109 crores. Revenue per square feet was INR 3,42,800, with a net profit of INR 4.8 crores per store.

We also witnessed a meaningful increase in the studded jewellery mix, which rose 52%, taking the stud ratio to 8.4%, reflecting a continued shift in consumer preferences towards studded jewellery. The inventory turnover remained healthy at 3.2 times, underscoring sustained operational efficiency and profitability.

In the current quarter, we plan to add approximately 11-12 new stores, comprising a mix of COCO company-owned and FOCO franchisee-owned stores across Maharashtra and Central India region, enabling us to reach our target of 78-80 stores by March 2026. Looking ahead, we are optimistic about the sustaining growth this momentum, with the ongoing wedding season expected to drive further consumer demand.

In summary, Q3 FY '26 marked another chapter of robust and broad-based performance, with strong festive momentum, healthy profitability, and expanding geographical reach. This concludes the financial highlights for the quarter.

We can now open the floor for questions. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Pulkit from Dalmus Capital Management. Please proceed.

Pulkit: Thank you for the opportunity and congrats on a good set of numbers. Sir, the first question is on gross margin itself. There is a sizable jump QoQ and YoY. In a rising gold price scenario, one tends to sometimes believe that this might reflect some kind of gold price gain as well in the inventory. Can you help us understand better what drove these kind of gross margins?

Saurabh Gadgil: Yes, thank you. See the gross margins, we are also given a projection at the beginning of the year that we will see increasing gross margins. Primarily the first reason was that we had stopped the sale of the zero margin refinery business. Now that was definitely the key factor which would have an impact on margins.

Having said that, another focus area for us which was the studded jewellery mix that has shown a considerable increase. We have increased by 52% in value and that has been another contributor to the margin rise.

And thirdly our foray into the LiteStyle jewellery segment by LS by PNG which is more of a diamond and studded jewellery category is also yielding good results. So all this in combination has been able to give us a good margin increase and I think this is something which was also given to us as a guidance at the beginning of the year.

Pulkit: So the first two aspects that you mentioned probably may not be as relevant simply because on a YOY basis that part of refinery is already in the base.

Saurabh Gadgil: No, the refinery was -- in FY ‘25- ’26, for six months we had the business of refinery.

Pulkit: Yes. So when I am comparing YOY, I am comparing Q3 FY ‘25 at 9.8% and Q4 at 12%. So last four quarters…

Saurabh Gadgil: You are doing quarter over quarter, okay.

Pulkit: Gross margins have been 12%, then 13.2%, and now suddenly 14.4%. And studded mix hasn't really changed much quarter-on-quarter. So, I'm really struggling to understand what has changed?

Saurabh Gadgil: Studded mix has definitely changed. We have seen a quarter-over-quarter increase of 52% in value. And Litestyle, which was not there last quarter, Litestyle today is standing at six stores. So that also has added high margins to the entire business.

Pulkit: Okay. And how much did that Litestyle segment contribute to overall sales?

Saurabh Gadgil: Sorry?

Pulkit: How much does that Litestyle business contribute to overall sales revenue?

Saurabh Gadgil: Litestyle is growing. So Litestyle is not a very big contributor, but Litestyle, if you look at it, should be around 5%-6% of the entire sales.

Pulkit: Okay. So in your opinion, there's no aspect of gold inventory gain in this? I mean, you're perfectly hedged?

Saurabh Gadgil: No, we are fully hedged. So there is no effect of the price increase on that. Like we had mentioned in the call before, there is only a portion of silver which is not hedged, but that's not a big number. So the primarily margin increase has been due to studded, Litestyle, and due to focus on operational efficiencies.

Pulkit: Silver price has gone up quite substantial and you're saying that's unhedged.

Saurabh Gadgil: It will be in Q4. It's not in Q3.

Pulkit: Okay. And lastly, just on your experience in UP/Bihar. Can you talk a bit more about it and what are your plans there? What kind of confidence are you getting in terms of expansion strategy?

Saurabh Gadgil: So, the last conference call we had mentioned that both UP, both the stores had started on a positive note. By that I mean that the footfalls were encouraging and were exceeding what we had expected. Q3 has even seen the same thing more amplified in both the stores in Lucknow and in Kanpur. The inventory mix there is more inclined towards studded, more inclined towards fancy jewellery than what we used to see in Maharashtra here.

So that another aspect also has added to the growth in the studded category. But the response has been positive. The footfalls are encouraging and both UP and Bihar, both the states are emerging as good states for the brand.

To further strengthen our positioning there, we have also signed up Ranbir Kapoor as the Brand Ambassador to take the legacy route and establish us as the premier legacy brand in the jewellery sector across India.

Pulkit: Right, sir. So, the question is how many stores can we open there over the next three years? I mean, any plans? Is it formed up yet or are you still evaluating?

Saurabh Gadgil: So, in the next -- in this quarter coming, so as we speak, next month we'll be launching two stores in UP. There will be one in Gorakhpur and there will be one in Banaras. Post that, there's plans to also target more stores in Lucknow, Prayagraj, and other cities. So, I think UP as a state can accommodate around 8 to 10 stores, is the short-term plan for the brand.

Pulkit: Okay. Great. Thank you, sir, and all the best.

Moderator: Thank you. The next question is from the line of Yash from Edelweiss Public. Please proceed.

Yash: Hi team, thank you for taking my question and congratulations on a good set of numbers. So, my first question is regarding—if I am not wrong—in majority of our stores in Maharashtra, the reason for high asset turnover is also because some big chunk of our business comes from make-to-order, right?

So how are you seeing the same trajectory in the newer stores and in newer regions like maybe Bihar or UP? Are we seeing similar trajectory for make-to-order business? Are the numbers similar over there?

Saurabh Gadgil: See, we had mentioned when we were in Maharashtra, the make-to-order had reached up to 40%. And in those states, I think we would be around 25% to 28%. Make-to-order business primarily works well in the jewellery categories where we have sizing problems, bangles, earring, finger rings. These are two main categories where we do a lot of make-to-order, which also is the same policy there.

And like we mentioned before, like we ship it from here to Nagpur is the same way we are shipping it from here to Lucknow, Kanpur, any other place. So as of the model has not changed, the volume there is a little lower than Maharashtra because there the state is more towards fancy jewellery, more towards studded jewellery, where we do not do make-to-order.

Yash: Understood. Which means it is right to assume we can expect 3 to 3.5x inventory turnover over there after this rally of gold prices and everything?

Saurabh Gadgil: That's right.

Yash: Got it. Got it. And one more bookkeeping question: what is the current mix of GML and how we are planning to increase it going ahead?

Saurabh Gadgil: So, see, the GML is a portion which is -- there's GML, there is future options, and then there's the old gold. So, these three primarily are the drivers which are a part of the hedging mechanism. So, depending on the situation, we keep on shifting between these three variants. So, there is no fixed target as far as just GML is concerned.

Yash: Got it. And what would be the current mix of these three as of today?

Saurabh Gadgil: So, if you look at the total sales -- total stock -- old gold would be around 30%. GML should be another 20%-25% and F&O should be the next 15%-16%.

Yash: Got it. Thank you and best of luck for the coming quarters.

Moderator: Thank you. The next question is from the line of Gunit Singh from Counter Cyclical PMS. Please proceed.

Gunit Singh: Hi, sir. Thank you for this opportunity. So, our revenues for Q3 increased by about 38% year-on-year. So I just would like to understand what percentage of this increase is on account of higher gold prices?

Saurabh Gadgil: Gold prices for the quarter have seen a increase, but when we are looking at the total revenue, our revenue primarily comes from our making charges income. So as long as we are able to generate that making charge income, that is what we target on the company level. When you have higher prices, usually you see a volume dip and simultaneously when prices go down you see a volume hike.

Gunit Singh: Alright, sir. I mean, I want to understand, for example, for the current quarter, gold prices have fallen by about, if I'm not wrong, 15%-20%. So, I just would like to understand that in a scenario where, say for example, gold prices fall by 10% or 20%, so how is the revenue expected to be affected by this?

And also, I mean, do our margins also get affected by a fall in—say, what would be the effect of a fall of 10% in gold prices on our margins also? Both revenues and margins.

Saurabh Gadgil: See, they wouldn't be a direct impact because firstly our margins are not dependent on the gold price movement. Our income primarily is from making charges. So, we have typically seen when rates go up, your volumes will take an impact, but the margins would still remain the same because the value of the product is still there.

So, I don't think it will have a impact on the margins per se. If the gold prices get lowered, we'll be seeing higher volumes and that would compensate for the margins. So in that scenario, we are kind of hedged.

Gunit Singh: Alright. So is our hedging 100% on gold price movement?

Saurabh Gadgil: So as far as effective hedging, we are 100%.

Gunit Singh: Alright. So just to repeat what you said, basically even if gold price remains at the current level or goes down further, our revenue as well as margins should not be affected by a fall. I mean, it should depend on growth in business or in case you are adding stores, revenues should go up even though the gold prices fall. Is that a correct understanding?

Saurabh Gadgil: Absolutely.

Gunit Singh: Alright, sir. Thank you very much. That's all from my side.

Moderator: Thank you. The next question is from the line of Subhanu from 3 Head Capital. Please proceed.

Subhanu: Thank you, sir. Good afternoon. Sir, if I see our franchise segment revenue growth, only 12% year-on-year growth. Why this happened?

Saurabh Gadgil: Sorry, can you repeat the question again, please?

Subhanu: Why our franchise segment revenue grew only 12% year-on-year?

Saurabh Gadgil: Which segment?

Subhanu: Franchise segment.

Saurabh Gadgil: Franchise segment?

Subhanu: Yes.

Saurabh Gadgil: See, franchise is a business wherein we do outright sale. So franchise has not expanded in the last year. Our focus was more on the company-owned stores. So the states outside Maharashtra we expanded, it was more on the company-owned stores. That is why the franchise business has not seen a growth as far as -- similar to what we have seen in our own stores.

Subhanu: Okay. Understood. My next question will be, this quarter our revenue mix from Litestyle from—is it 5%-6%, you mentioned?

Saurabh Gadgil: Yeah, Litestyle business -- because Litestyle we have a format wherein we have independent Litestyle stores and we also have shop-in-shops in our big PNG stores. So, all in all, that business should be in the range of 5%-6%.

Subhanu: Going to—next couple of years, what will be the mix you are targeting?

Saurabh Gadgil: So see, we would definitely aim to increase that business because that's a business which is lightweight, it's impulse buying, and it's connecting to the next generation. So, we'll be happy if we can reach a target of 10% with Litestyle.

Subhanu: Okay. Okay. My last question is, what will be your FY ‘27 store opening guidance?

Saurabh Gadgil: So, FY March ‘26 we should be nearing around 80 stores and I think FY ‘27 we would be adding, depending on the QIP we do it, but at a comfortable pace we can look at around adding 25 more stores. Combination of COCO, FOCO, and a combination of PNG and Litestyle.

Subhanu: 25 stores you can expect FY ‘27?

Saurabh Gadgil: 105 stores at the end of March 2027.

Subhanu: Okay. Okay. Thank you. Best of luck.

Moderator: Thank you. The next question is from the line of Vaibhav Mishra from Finvestors. Please proceed.

Vaibhav Mishra: Hello, sir. Congratulations for the excellent set of numbers. Many of my questions have been answered. I have one question. I think for FY '26 we had targeted revenues in the range of INR 9,000 to INR 9,500 crores. And I think we have already achieved INR 7,200 crores as of Q3. So do we see exceeding or touching the higher end of our revenue target of INR 9,500 Crores in FY '26?

And also, sir, I need to know your outlook on the revenue numbers and EBITDA margin profile for FY '27, given the current gold prices and how you see the volume growth panning out in FY '27?

Saurabh Gadgil: It's a long-ended question. So I think FY '26 we should be closing a little higher than what the guidance we had given. So hopefully we should cross the INR9,500 and be close to be INR10,000 Crores is what we are projecting. The market looks good and we're on strong momentum, so that looks achievable.

Next year, we don't know where the gold prices are heading and no one can take a call on that. But I think next year we should be able to have a 20% to 25% growth over this year. So around INR 12,000 crores is what we should be able to target for FY '27.

Vaibhav Mishra: Alright, sir. Alright. Thank you so much, sir. That's it from my side.

Moderator: Thank you. The next question is from the line of Shubham Shukla from FINAVENUE. Please proceed.

Shubham Shukla: Good afternoon, sir. Sir, I had a question on the sales growth. So while comparing ourselves with the industry peers like maybe a Titan or Kalyan Jewellers, so overall industry growth was somewhere around 42% to 43% odd on the revenue front for Q3. And we, P N Gadgil, being a little smaller player as compared to these two companies, so don't we think that our revenue growth could have been better as compared to, on a league of a little higher than these big players? So just wanted your insight on this.

Saurabh Gadgil: I think I can't comment on what the other players are doing. We are sticking to our guidance, we are sticking to what projections we had made. And I think the store growth and volume growth is not just coming just from existing stores; it's also new store addition, there's a lot of various factors.

So I think as far as we are concerned, we can talk on our company. We had projected and we have exceeded that projection. So I think all I can say is that we are on track to meet our guidance or to exceed our guidance.

Shubham Shukla: Okay, sir. And sir, can we get figures for the volume growth for Q3? The gold jewellery volume growth.

Saurabh Gadgil: The volume growth for Q3 would have been in the range of around 25% plus.

Shubham Shukla: Volume growth 25% plus. And sir, as far as we remember that we had a guidance to increase our stud ratio going forward. So any comment on stud ratio, I mean, on further improvement or the process how we can improve it from here on?

Saurabh Gadgil: As we speak, there's a improvement. See, firstly, the studded category has seen a 50% plus hike growth. Secondly, we launched Polki and Kundan categories. So when you consider diamond, precious stone, Kundan, Polki, we would be close to 10%, as of December end. So there's a considerable improvement on that front and the company focus would still be to take this stud ratio to 13% to 14%.

Shubham Shukla: Sir, by next two to three years?

Saurabh Gadgil: Yeah, ideally, we should look at next three to four years.

Shubham Shukla: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Priyanshu Jain from Growth X Infinity. Please proceed.

Priyanshu Jain: Hi, sir. So for the next year you said the stores, so can you give the bifurcation as well?

Saurabh Gadgil: Bifurcation of?

Priyanshu Jain: Like for the Litestyle and the other stores.

Saurabh Gadgil: So for next year, out of the 25 stores which we had planned, it will be a half and half, so 50% would be Litestyle, 50% should be PNG, is what the plan is. Again, in both the categories, it would be COCO and FOCO, a mix of that.

Priyanshu Jain: Sir, and we have seen some reduction in the FOCO model, Franchise-Owned Company Operated. So are we having any plans to ramp up this process as like other competitors which have done in the past going forward?

Saurabh Gadgil: See, our strategy in the neighboring states of India was first to have a proof of concept and have a company stores. So we have done that successfully both in UP and in Bihar and in MP. So now in this coming year, we'll be looking at accelerating franchise growth in those states.

In Maharashtra, we kind of are the market leaders and we have tapped almost all the major markets here. That is why we are not keen on adding more franchises here, but in the coming year, you'll see franchises coming up in all the states outside Maharashtra where we are already present.

Priyanshu Jain: Okay. And sir, like last two questions, so like this year we will do somewhere 9,000-9,500. Next year, we have any internal plans which we are targeting to implement next year?

Saurabh Gadgil: Internal plans as in—you mean the revenue targets or what do you mean by internal plans?

Priyanshu Jain: Yes, sir. For the revenue as well and the EBITDA margins we are expecting on or maybe sustainable going forward? Because we have -- like get a better margins this quarter. So like are these 8% plus margins sustainable going forward?

Saurabh Gadgil: See, if you look at the margins, EBITDA margins for the Q3 are always on a higher side because of the big festive season, Diwali, which is in that quarter. On an annualized basis, we had projected that we would see a increase in margins, EBITDA margins, and that should be sustainable at 7% to 7.25% is what we feel. A PAT margin is around 3.75% to 4% is what we feel is sustainable in the long run.

In terms of the target, we should be targeting around INR 11,500 to INR 12,000 crores for FY '27 as of end of March 2027. And we expect that we continue growth in the focus area of Central India, as we had mentioned before.

Priyanshu Jain: Okay, sir. That's all from my side. All the best for the future. Thank you.

Moderator: Thank you. The next question is from the line of Rahil from Sapphire Capital. Please proceed.

Rahil: Yeah, I actually my question was on EBITDA margin. So this 7% which you achieved this quarter, which is like a good high compared to the last few quarters, this is sustainable for coming quarters, right?

Saurabh Gadgil: Yeah, that's what I said. In Q3 the margins were much higher, EBITDA margins for the Q3. But overall we see on an annualized basis, 7% is what we feel is sustainable.

Rahil: Right. Okay. And I just couldn't hear. So you said 25 stores in FY '27, the mix of COCO and FOFO or FOCO, I was not able to…

Saurabh Gadgil: We don't do FOFO, it's only COCO or FOCO. The Franchise-Owned Company Operated.

Rahil: Correct. Okay. Alright. Got it, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Raj from Finvestors. Please proceed.

Raj: So we have very aggressive plans of store opening. Right now we are having stores 67 as of today, and we are planning to have 78 to 80 stores by this financial year. So how confident and what is our actual plan and what is the reasonable number to reach by FY '26? And also keeping the gold price rise in the view, that has been drastically increased, are we seeing any volume growth in Q4? And the last question will be…

Saurabh Gadgil: Let's take it one by one, instead of asking so many questions together. So I'll just answer your first question in terms of number of stores. We are currently at 66 stores as of December end and by March end we already have plans, the work is going on, stores are finalized. So we should be—we are confident reaching 78 to 80 stores by end of March.

25 stores to be added next financial year, like I mentioned before, a mix of COCO and FOCO, and PNG and Litestyle. So the Litestyle store format are smaller store formats, 1,000 to 1,500 square feet. A PNG is around 3,000 to 4,000 square feet. So the confidence to achieve the numbers for March is almost there and the work is going on, so that should not be a problem as far as the achievement of numbers is concerned.

To answer on your volume growth, as of Q3 we had seen a volume growth of gold of 25%. So I think, both in value and volumes growth in Q3 and Q4 is going on so I can't talk on the current quarter as we speak.

Raj: Okay, sir. Now right now, sir, we are only left with 50 days in this quarter. So are we seeing any spark of volume growth in Q4?

Saurabh Gadgil: Yeah, I can't give you anything which is on the current quarter, but all I can say is the momentum is strong and we should be able to meet our guidance or exceed our guidance what we had given for the year.

Raj: And the last one will be on the gross margin. Gross margin in this quarter, as you know this is a very good quarter, so it is elevated. So what could be the reasonable gross margin for the whole year and going forward to look at?

Saurabh Gadgil: So we have always mentioned that around 13% to 14% gross margins is something which should be sustainable. EBITDA at 7% and PAT at 4%.

Raj: Right now we are doing 4.4% PAT margin till 9 months.

Saurabh Gadgil: Yeah.

Raj: So we should target below this number?

Saurabh Gadgil: See, it's always -- the Q3 is always the high month. So when we talk of a minimum margin maintenance, I think 4% is what we should be able to maintain, which is a quite a big increase over the last two-three years.

Raj: Okay. Fine, sir. Thank you. Thank you very much and wish you good luck for the future.

Moderator: Thank you. The next question is from the line of Gaurav Shukla from Finvestors. Please proceed.

Gaurav Shukla: Good afternoon, sir. My all questions has been asked. Thank you, sir.

Moderator: Thank you. The next question is from the line of Anukool from Inved. Please proceed.

Anukool: Yeah, hi, sir. Thanks for the opportunity. Sir, firstly, my question is on the side of QIP. What are our plans over there?

Saurabh Gadgil: See, QIP plans, like we are saying, that we have taken the approval from the Board, which is good till end of August 2026. Having said that, we have always mentioned that the QIP will primarily be to fund our expansion ahead. So we are right now looking at the geopolitical developments, the positives on the India-USA deal, India-EU deal, are factors which are in favor.

So let's see how things shape up and then once we are able to come to some conclusion, we'll be able to communicate it better to you.

Anukool: Understood, sir. Understood. So my next question is, like as we are sticking to our guidance and or we may cross our guidance of INR 9,500 crores. So where is this growth coming from? Is it from the new stores or is it from the existing stores?

Saurabh Gadgil: It's a combination. If you look at SSSG (same-store sales growth) also, it's in the upper of 30%. So the growth is coming both from new stores and from the existing stores. Also our category --also e-commerce as a function is doing well. So we are seeing sustained efforts being paid off in terms of the right merchandising, right communication, marketing. So I think we are also able to garner a lot of share from the unorganized sector which also is adding to the growth.

Anukool: Got it, sir. Got it. Understood. Lastly, any guidance on the volume growth? How much can be expected? Anything on that front?

Saurabh Gadgil: So volume growth, as of December, there was a 25% growth in gold volumes. There I really can't talk anything on the -- on this quarter here because it's yet going on. But I think, like I mentioned before, volumes and value play a interchanging role. When gold prices go up, volumes decline and vice versa. But I think overall we look to be in a good position to achieve our guidance.

Anukool: Understood, sir. Yeah. That's it from my end. Thank you so much.

Moderator: Thank you. The next question is from the line of Yash from Edelweiss. Please proceed.

Yash: Yeah, thank you team for the follow-up. So sir, I wanted to understand better on the Litestyle part of the business, like you already alluded a good guidance for the expansion of the same. So where are we planning, which states or city we are planning for this expansion and how different the customer segment is compared to P N Gadgil?

Saurabh Gadgil: See, Litestyle as a category was primarily meant, like I mentioned in the previous call also, as a bridge between the PNG customers and the customers of tomorrow. So Litestyle is very design-oriented, high fashion, high glamour jewellery, but light on the pocket and having around 35%-40% studded in the entire merchandise. So Maharashtra is still quite open for Litestyle because we have not really expanded in Maharashtra.

So the focus will primarily be on Maharashtra. When we speak on Maharashtra, I think in the coming year, we'll be looking at having more stores in the bigger cities of Maharashtra like Mumbai, Pune, Nashik, Nagpur, CSN, Solapur, and these kind of places. Online also would play a very important role in Litestyle. And having said that, Litestyle will also be into various malls in different cities.

The year after that is when we see the Litestyle really moving outside Maharashtra and moving into the other state where PNG is present. But we feel that this is a brand which has huge potential. It is something which is in demand by today's consumer. And if you ask for the product, it's very, very differentiated.

So designs in Litestyle, the merchandise is completely different than that of PNG. So you will not find the PNG products in Litestyle and vice-versa. So there is a separate design team, a separate merchandising team, a sourcing team for Litestyle.

Yash: Got it. Thank you, sir, for the answer.

Moderator: Thank you. The next question is from the line of Tushar Verma, an investor. Please proceed.

Tushar Verma: Sir, I have two questions related to retail segment only. First is retail EBITDA margin excluding other income have increased from like 6% to 7% in FY '25 to 9% this year, around 8% to 9%. And similarly, PAT margins has also increased. So what are the key drivers of this sharp margin expansion as this segment does not include bullion sales as well?

Saurabh Gadgil: See, retail has been a focus area for us because after the discontinuation of the non-margin refinery sale business, retail has been a major contributor for the entire sales drive at PNG. Two-three factors which have helped the retail business has been the introduction of Litestyle, which again is a high-margin business.

Our focus again on the studded category, addition of Kundan, Polki, and in the merchandise mix, and the movement to Central India in UP, Bihar where again the sales of studded jewellery is on a higher rise. So all these factors have been able to help us to increase our margins for the last quarter.

Tushar Verma: Okay. And the second follow-up question on same retail segment only, like you said sustainable gross margins are 13% to 14%, EBITDA around 7%, and PAT around 4%. So what kind of sustainable EBITDA and PAT do you think for retail segment only? And additionally, could you please share the trend prior to FY '25 of retail EBITDA and PAT margins?

Saurabh Gadgil: See, retail EBITDA we should be in the range sustainable should be around 8% to 8.25%. At a company level, we're talking of 7%. So I think this is what we feel is sustainable. Retail will benefit from the higher focus of studded, from the higher focus of lightweight jewellery, and as our merchandising also is moving more towards lightweight, would also mean higher margins for the side of business.

Tushar Verma: And PAT margins, sir, of this segment? Sustainable PAT margins and the trend if we have prior to FY '25 sustainable margins?

Saurabh Gadgil: Prior to FY '25, that I'll email to you because we don't have it offhand right now. But if you want the previous data, we'll email that to you.

Tushar Verma: Okay. And just the PAT margins for the retail segment? Sustainable PAT margins? You said 8% to 8.25%...

Saurabh Gadgil: You're asking for current or you want the future data? What are you asking for? PAT margins?

Tushar Verma: No, like you said 8% to 8.25% are sustainable EBITDA for retail segment. So similarly, what kind of PAT are sustainable for this segment?

Saurabh Gadgil: PAT for retail segment?

Tushar Verma: Retail EBITDA, yes.

Saurabh Gadgil: So retail, I think PAT in the range of 5.5% should be sustainable.

Tushar Verma: Okay. Okay. Thank you so much, sir. Thank you so much.

Moderator: Thank you. The next question is from the line of Nitin Jain from Fairvalue. Please proceed.

Nitin Jain: Yeah, my questions have been answered. Thank you.

Moderator: Thank you. The next question is from the line of Rajiv Bharati from Nuvama. You may proceed.

Rajiv Bharati: Yeah, good afternoon, sir. Sir, question is on other expenses. So other expenses has gone from INR85 crores to INR190 crores nearly on a YoY basis, right? So can you break that up? What's basically shooting this kind of surge?

Saurabh Gadgil: See, the other expenses, primarily the increase has been in the advertising expenses, because the number of stores have increased from 47 to 65. Expansion in newer states from Madhya Pradesh, Uttar Pradesh, Bihar. Signing up of Ranbir Kapoor and Sara Tendulkar as brand ambassadors has been the primary driver.

Again, increase in commission and brokerage from e-commerce also has seen a increase. As e-commerce sales have gone up, also the commission and brokerage also have gone up. So this has primarily taken up the other expenses. But having said that, we'll still be able to stick to the 1.5% level of marketing expenses of total turnover as we had given the guidance in the last call.

Rajiv Bharati: Sure. The other question is on segmental growth. E-comm has grown by nearly 140%, right? And my understanding is this is basically coin sale and this is ideally a margin-dilutive bit, right, potentially both on the gross margin and EBITDA margin side, and which is basically growing faster than the company. So can you explain that bit? Why it has not hit the margin?

And the other part is, when you said 25% volume growth, this you're talking about putting all channels put together, right? And if I let's say strike out 25% from the 36% number, ballpark we will get something like 10% growth on the pricing. But the pricing is materially, I mean, significantly more higher, right? So what am I missing here?

Saurabh Gadgil: So see, e-comm like you mentioned before, the driver—the e-comm sales driver—is bullion, which has been also the case. Investment demand has gone up also on the physical side. But e-comm is not a margin diluter, it's a net margin business for us. So e-comm even the bullion business does a margin of around 1.5%-2% on the bullion. So that's something which again is a margin business.

But the volume, the growth has been quite large there. But this also had—we also been able to grow on the jewellery side, though the numbers would be small compared to bullion, but jewellery sales—gold jewellery, diamond jewellery, and silver jewellery, all have shown good significant increase in e-comm. E-comm also is tool for omni-channel where people browse online but buy offline. So that's again an area which is of focus for us.

When you talk on the margin—on the volume bit—25% when you talk on the entire increase, so that's over the last quarter you're talking about quarter-over-quarter. So to answer your question, gold—this was in last quarter versus this quarter. So it's a Q-o-Q. So we have grown 25% in volumes over last quarter.

Rajiv Bharati: Okay. Can you call out what is the YoY volume increase?

Saurabh Gadgil: So YoY volume increase would I think be a single digit or maybe flat.

Rajiv Bharati: Okay. You're saying this is still growth -- because I thought the price itself is I think upwards of 60% growth, right? Even if you adjust for mix, there should be a volume decline.

Saurabh Gadgil: No, but we also added number of stores. So like I'm saying, from 47 to 66 stores, we've also added more number of stores.

Rajiv Bharati: No, I agree. But I'm saying the overall growth is 36%.

Saurabh Gadgil: Even—you're right, everybody—the whole industry has seen volume degrowth. What the industry is focusing on, are the margins being able to maintain. And the margins, as you know, comes from making charges. So as long as your making charge income is intact, the margins would not be affected.

Rajiv Bharati: No, fair point. Fair point. That's all from my side. Thanks a lot.

Moderator: Thank you. The next question is from the line of Nitin Jain from Fairvalue. Please proceed.

Nitin Jain: Yeah, thank you for the opportunity. So sir, you have given the guidance of around 20 to 25 store openings for next year, which is a very strong guidance. But your revenue growth guidance is around 20%. So can you please elaborate? Like, are you seeing any slowdown in the market or what could be the reason?

Saurabh Gadgil: So see, when you say 25 stores, I'm talking of the PNG store and the Litestyle stores. The Litestyle stores are smaller compared to PNG. So a PNG store typically would have a inventory of around INR 55-INR 60 crores. A Litestyle should be in the range of around INR 10 crores. So when you try to look at the entire number, 25 stores would only mean around 12 to 13 or 14 PNG stores and the balance Litestyle stores. That is why on a gross level the revenue increase would be at least 20%.

Nitin Jain: Okay. That's clear. Thank you so much.

Moderator: Thank you. The next question is from the line of Aman, an investor. Please proceed.

Aman: Thank you for the opportunity. My first question is regarding the QIPs. So could you please share a rough timeline and how the funds are going to be used?

Saurabh Gadgil: So like I mentioned before, we have not yet freeze on any timelines for the QIP. The resolution is in effective till August of 2026. So, we're still working on that and once we confirm, we'll be able to communicate with you.

Aman: Okay. And my next is some doubt regarding the Litestyle stores. So when we compare with like your peers like Kalyan and Tanishq, so first they expanded their core store Pan-India before the lightweight jewellery format. But where we see in the PNG, PNG is still at very early age and they are—feels like bit aggressive towards the Litestyle because you are allotting 50% of the total store for next year to Litestyle, but when we compare the sales coming from the Litestyle is around 10%. So do you think that it's still worth to be…

Saurabh Gadgil: So see, I'll tell you. This is a very seriously planned discussed with the management. On one side we are looking at higher gold prices, other side we are looking at a lot of new generation customers who want jewellery not on a occasion but for their own occasion. So we have always mentioned that PNG is a—the demand driver is primarily festive and wedding, while Litestyle will be more towards own occasions, personal birthdays, anniversaries, gifting.

So this is a new trend which is emerging and we want to be a part of this trend. When you talk on expansion, we have done expansion which is not over-aggressive. The stores of PNG would be completely funded from its internal accruals. And that's why we have given this management guidance where we said that 25 stores half would be PNG, and out of that half would be franchise.

So the whatever growth from PNG, that'll be also through internal accrual. We would not need any further debt to expand and to fulfil this growth. So it's a well-thought strategy and it's something which the company is confident about.

Aman: Okay. Thank you, sir.

Moderator: Thank you. The next question is from the line of Meet Mehta from Prasun Exponential. Please proceed.

Meet Mehta: Hi. Thanks for the opportunity. I just wanted to ask, like you are planning to expand in other states and cities, so are we seeing any dip in revenue per square foot or anything like that? If you could throw some light.

Saurabh Gadgil: See, as we expand in new cities, definitely the break-even would take around 18 to 24 months. So revenue—the revenue per square foot of established stores would always be higher than the newer stores. So considering—so what we have—the update we gave right now of around 3.5 lakhs for nine months revenue total, so this includes the company's old store, new store, everything put together. So I think we are—it's still one of the best numbers in the industry and we are hopeful that we'll be able to continue with this trend.

Meet Mehta: Okay. Yeah. That's it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Raj from Finvestors. Please proceed.

Raj: Thank you for taking my follow-up question. We are having stud ratio of 8.4%, whereas our peers are having in double digits and some other peers are in in high teens. So what is our plan to consolidate or just take advantage of having greater stud ratio?

Saurabh Gadgil: That's a good question. Primarily, we were only in the state of Maharashtra, which primarily is a gold market. So if you look at all the South-based players and Western India-based players, gold rules the roost. But for the last seven-eight years, the focus has been to increase the studded ratio, which has now come to almost 10% when you take Kundan, Polki into account also.

Now as we move towards Central and North India, which are typically more studded and diamond markets, this will see a natural increase also and a focus from the company will take it further. So I think we would also aim to be able to reach the margins—the numbers as the other players have, once we are able to go Pan-India. But having said that, in next three to four years, we are aiming to take this ratio to 13% to 14%.

Raj: That's great. Thank you very much. That's all from my side.

Moderator: Thank you. The next question is from the line of Shubham Shukla from FINAVENUE. Please proceed.

Shubham Shukla: Yeah. Thank you so much. Sir, I just wanted to reconcile the fact that our shareholding is still above the 75% benchmark. So any plans for equity dilution in the upcoming year? Or—

Saurabh Gadgil: That is what I have just said, that we are still not finalized the QIP plans nor the plans for any promoter stake sale. So as and when something is finalized, we will get back to you on that. But yes, as per the SEBI regulations, in the three years we have to get down the shareholding to 75% of the promoter group.

Shubham Shukla: Yes, sir. Yes. Okay. Okay.

Moderator: Thank you. The next question is from the line of Dinesh Kulkarni from Finsight. Please proceed.

Dinesh Kulkarni: Thanks for taking my question, sir, and really great set of numbers. So my question is pretty simple. Have you seen any trend over the last, say, six months over the two last two quarters where the customers' preference is more for the gold bars or solid form rather than the jewellery just because there is such a surge in prices that people just want to like hold gold rather than in the jewellery form?

Saurabh Gadgil: So see, there's a definitely there's a shift in investment demand which is which is further gaining traction. And we're seeing a lot of newer players in the market looking at investing in gold, both physical or in the online formats. So that is definitely there. But as far as weddings, festive demand is concerned, jewellery—jewellery is the only option there.

Old gold—people are swapping old gold for new jewellery. So that trend has increased and today almost 40% entire purchases are financed by old gold from people's households. So jewellery sales are there, jewellery sales will continue. Weddings, festivities are days when jewellery sale are big. So investment demand as of now has seen a increase.

So if you had seen a ratio which would have been 15%-18% of bullion and the balance of jewellery, today it could be in the range of 25% to 26% bullion and the balance jewellery. But jewellery—jewellery in India is different, it is sentiment, is part of festivity, part of our culture, and I think that will still remain the same.

Dinesh Kulkarni: Yeah, I understand. Perfect. Sir, just then on the similar line, so do we have any difference in operating margins for when say like, as you mentioned, the percentage of ratio is increasing towards the bar side? So are we expecting any change in margins because of that, assuming the gold prices remain very high and the demand for the solid form is higher than the jewellery form?

Saurabh Gadgil: I think I don't see bullion sale will further increase than what current ratio they are. I think it's quite a high number. If two-thirds of your business today is still jewellery, I think margins should not be impacted. I think even if prices go higher, margins should not have a negative impact.

Dinesh Kulkarni: Okay. So at least we should be able to sustain those margins, right?

Saurabh Gadgil: That's right.

Dinesh Kulkarni: Okay. And sir, last question from my side. So how are we looking at the capex, sir? Maybe capex per store or the overall terms for the next two to three years as we are expanding into different geographies?

Saurabh Gadgil: Capex for our PNG stores is around INR2 Crores in terms of the store fit-outs and around INR70 lakhs for the Litestyle stores. The franchise stores, the capex is borne by the franchisee, so that is not a cost for the company. And inventory wise, like I mentioned before, we need around INR 55 crores of inventory—gold, diamond, silver put together for the company stores—and for Litestyle should be in the range of around INR 8 to INR 10 crores.

Dinesh Kulkarni: Okay. So we are not expecting any major change in these numbers going forward, right? I mean…

Saurabh Gadgil: if prices go up, the inventory will go up. But we are not expecting any further change in this.

Dinesh Kulkarni: Okay. That sounds great, sir. Thank you very much and all the best.

Moderator: Thank you. Due to time constraints, that was the last question. I now hand the conference over to the management for the closing comments. Over to you, sir.

Saurabh Gadgil: Thank you, everyone. We truly appreciate all the participants for taking the time out to join this call and for your insightful questions. We hope we've been able to address them to your satisfaction. If you have any further queries or would like to know more about the company, please feel free to reach out to our secretarial team and to our investor relations partner X-B4 Advisory. Wishing you all a great day ahead. Thank you.

Moderator: Thank you. On behalf of Nuvama Wealth Management, that concludes this conference. Thank you for joining us and you may now disconnect your lines.