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Gold Ornament Ltd.
Manufacturer of Antique Jewellery

Date: 31st May, 2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400 001,
MH,IN.

BSE Scrip Code:-542579

Dear Sir/ Madam,

Sub: Transcript of Management Interaction with Investors

Dear Sir/ Ma'am,

Pursuant to Regulations 30 read with Para A of Part A of Schedule III and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, we attach herewith the transcript of the Company's investor/analyst call held on May 29th, 2025.

The transcript is also uploaded in the Company's website at :-
<https://ashapurigold.com/investors/announcements>.

We request you to take note of the same and update record of the Company accordingly.

Thanking you.

Yours faithfully,
For, Ashapuri Gold Ornament Limited

Jenik Soni
Chief Executive Officer

Encl.:-A/a



**“Ashapuri Gold Ornament Limited
Q4 and FY25 Earnings Conference Call”
May 29, 2025**



**MANAGEMENT: MR. JITENDRA KUMAR SONI – JOINT MANAGING
DIRECTOR – ASHAPURI GOLD ORNAMENT LIMITED
MR. JENIK SONI – CHIEF EXECUTIVE OFFICER –
ASHAPURI GOLD ORNAMENT LIMITED**

MODERATOR: MR. HARSHIL GHANSHYANI – KIRIN ADVISORS

Moderator: Ladies and gentlemen, good day and welcome to the Q4 and FY25 Earnings Conference Call of Ashapuri Gold Ornament Limited. 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 call is recorded.

I now hand the conference over to Mr. Harshil Ghanshyani from Kirin Advisors. Thank you and over to you, sir.

Harshil Ghanshyani: Yes, thank you everyone for joining the conference call of Ashapuri Gold Ornament Limited. From the management team, we have Mr. Jitendra Kumar Soni, Joint Managing Director, Mr. Jenik Soni, Chief Executive Officer. Now I hand over the call to Mr. Jitendra Kumar Soni. Over to you, sir.

Jitendra Kumar Soni: Good afternoon, everyone. Welcome to the first earnings conference call of Ashapuri Gold Ornament. I am very happy to be here with all of you and I would like to thank you from the bottom of my heart. This call is not just a quarterly financial update, it is an event of our growth journey, strategic direction and future vision. It is the beginning of a transparent and long-term conversation with our investors and analysts which we would like to continue in the future.. Jenik, you can overview the company.

Jenik Soni: Hi, good afternoon, everyone. On behalf of the entire team at Ashapuri Gold Ornament, I extend a very warm welcome to all of you for joining our first ever earnings conference call. It's a moment of pride and purpose for us to be addressing you today as a public company with a strong vision, clear strategy and growing confidence in our journey ahead.

So, those who do not know our story, I would briefly like to explain our background as it's our maiden earnings conference call. So, Ashapuri Gold Ornament Limited was founded in 1997 and incorporated in 2008. We are based out of Ahmedabad, Gujarat. With a rich legacy, AGOL has emerged as one of the India's most trusted names in antique gold jewellery manufacturing.

The company serves a wide spectrum of jewelers from metropolitan cities to fastest growing urban centres, tier 1, tier 2 and promising tier 3 cities as well. Anchored by the innovation and strong customer-centric philosophy, Ashapuri Gold operates with state-of-the-art manufacturing infrastructure with over 25,000 plus unique designs and more than 200 skilled artisans. The company invites jewelers across the globe to be a part of India's premier B2B jewellery hub where legacy meets contemporary design and tradition is always in the base of the company.

Now, I would like to give you some operational insights and I would like to explain our business model. So, basically, I would keep it simple in four different parts. Who are we? What we offer? Whom do we serve? And how do we make money? So, the step-by-step process is that we are a manufacturer of antique jewellery. We do not do any kind of trading. We have our in-house department and concept design department.

So, first point is when we make a new design and concept and collections, then we manufacture it. After manufacturing it, we do a collection launch, we launch at IIJS exhibitions, we do private previews and we have sales teams who cater to a wide range of cities and customers across India. After launching the collection, we take orders from national chains and regional chains across India.

Then we do production and dispatch and that's how our business model and sales cycle are. Product types are generally the bridal jewellery category which focuses on festive and occasion sales. It includes of mainly antique gold jewellery which has SKUs like choker, bangles, long necklace, short necklace, earrings, etc.

We serve to again large format retailers, regional jewellery stores across north, south and central part of India and we always participate in all the big trade shows in India like IIJS, GJS and PMIs. So, that's basically the business structure model and I would like our MD, Mr. Jitendra Soni to give you some financial performance of last year for year ending 2024-25.

Jitendra Soni:

Thank you, Jenik Soni. Now I would like to share some key financial highlights with you. In FY25, our total income was INR317.41 crores which was INR166.86 crores in comparison to FY24 which indicates a growth of 90.23% in top revenue. Our EBITDA was INR17.23 crores which indicates an annual growth of INR47.81 crores. Our PAT profit after tax for FY25 has reached INR12.04 crores which indicates a growth of 56.77% in comparison to FY24 which was INR7.67 crores.

Our EPS has increased from INR0.3 to INR0.38 which indicates an improvement of 26.67% year-on-year. Our Q4 revenue was INR84.53 crores which was INR51.94 crores in comparison to FY24 which had a 63% increase. Our EBITDA was INR4.68 crores and our PAT was INR0.8 crores. These numbers strongly reflect the scalability of our business fundamentals, market transactions and operating model.

Our vision is to focus on sustainable growth and stakeholder value creation. We are investing more in design and innovation, scaling automation and deepening our reach in India's fast-growing jewellery market. Our growth is not limited to the top line. We want to build an elite, resilient and future-ready jewellery business. We are strengthening our digital B2B platform, improving working capital efficiency and integrating ESG, Environmental Social Governance principal into operations.

In conclusion, FY25 was a defining year for Ashapuri. We are proud of our achievements and are excited for the future. On behalf of the entire management team, I would like to thank all our employees, channel partners, clients and shareholders who have trusted us. Now I will open the floor for questions.

Jenik Soni:

I would like to add a few more metrics for the last year in the call. So, the metrics I would like to give is that in the year 2023-24, we sold over 440 kgs of gold jewellery. As a jewellery manufacturing company, we analyze our data in kgs. So, year-on-year, we have 61% of volume

growth. In terms of capacity utilization, currently, after the rights issue, the company focused on working capital. So, our inventory is on a good base.

The growth that you can see is due to our new inventory. Currently, Ashapuri Gold has a total of 1.5-ton manufacturing jewellery capacity space that we have taken. We have 500 kgs of production capacity per year, we have artisans, machinery, and settlements. In 2023-24, we were at 40% utilization of 500 kgs. In the last year, we successfully closed 93% utilization of our production capacity.

Hopefully, we are planning to expand our production capacity in the next 2-3 months. So, you will see the difference. Currently, Ashapuri Gold is present in over 15-16 regional and national chains and 250-plus big-box clients Pan India. When we add the showroom count of all the clients, it's about 2,000 showrooms in which our jewellery is present across India.

I would like to say that we have four different types of jewellery collections. It caters to all the different cultural preferences and segments across India, naming Arzish, Maayin, Kaavis, and Aneya. As you can see, the increase in profitability margin is due to the introduction of high-margin products in the last two quarters. In Aneya, we are diversifying in polki and diamond jewellery. That collection will cater to Pan India first.

We have Kaavis collection which is focused on temple antique jewellery. It is a collection for South India which will be a supply model from our Bangalore setup to all the 5 states of South. We have Arzish and Maayin collection which focuses on lightweight antique jewellery. It will be for North India.

As we see the rising gold prices and all the big retail chains concall, they are very much bullish and focusing on lightweight jewellery concepts. According to them and their figures, we are also very much aligned with their requirements and focusing on the lightweight jewellery collection in the upcoming exhibitions. So, I am very much confident that we will have a very good amount of sales figure closed. And I would like to just close by for the last exhibitions.

If you have seen, in IIJS Signature, we have closed around INR48 crores of sales order, and in IIJS Trito, we closed around INR21 crores of the orders. At the closing, I would like to say Ashapuri is not just a jewellery company. We are a timeless legacy, working every day to convert the tradition and actual demand of the market into the sales numbers.

Thank you once again for joining us. With that, I will now hand over the call for questions and answers to all of our attendees on the call. Thank you so much.

Moderator:

Thank you very much. The first question is from the line of Aditi Roy from Patel Advisors. Please go ahead.

Aditi Roy:

Thank you for giving me the opportunity. My question is, can you please provide the insights into your manufacturing capabilities and how the company ensures consistent quality and craftsmanship in every phase?

- Jenik Soni:** So, Aditi, welcome to our concall. I would like to answer your question. So, for the manufacturing capacity, I would like to just give you some basic insights. In Indian retail jewellery space, there is 60% of the jewellery players which are on the organised side. And when we see, the organised manufacturing of jewellery in India is only around 11%.
- And we fall under the organised manufacturing player with all the SOPs, departmentalised system, good set of customised ERP, and overall an average 10 years of experience, team members we have, and the overall 15 years plus experience of board of directors. With all the things in place, we focus on giving the right manufacturing capabilities and right demand, what does the market needs.
- Aditi Roy:** Sir, I have one last question. How are you leveraging technology to improve operations in vendor management or customer engagement?
- Jenik Soni:** We have digital tools for that.
- Moderator:** Thank you. The next question is from the line of Priya Jain, an individual investor. Please go ahead. Miss Priya, your line is unmuted. You can ask your question.
- Priya Jain:** Hi, I have a couple of questions with me. The first one is growing awareness around sustainability and ethical sourcing. How is Ashapuri addressing the responsible business practice with the gold and ornament space?
- Jenik Soni:** Can you repeat the question?
- Priya Jain:** Yes, sir. With growing awareness, around sustainability and ethical sourcing. So how Ashapuri is addressing this responsibility of being ethical in a business practice around gold and ornament space?
- Jenik Soni:** Sir, you would like to go with it?
- Jitendra Soni:** No, no, you can.
- Jenik Soni:** Okay. So, for the ethical gold jewellery source, we have our all the vendor partners very much informed and fundamental that from where do they source their gold? It should be built, it should be imported also. And we are the qualified jewelers by IIBX. So according to their criteria, when a jeweler is qualified in all terms of sustainability and ethical thing, then only they can become a qualified jeweler and directly import gold under CEPA agreement. So through that, we follow the ethical practices.
- Priya Jain:** So, my next question is on brand visibility, like what are the key initiatives underway to strengthen the brand visibility of Ashapuri?
- Jitendra Soni:** As we are a B2B company, so we are a B2B company, madam. So, in B2B, what is the positioning would you want to understand of the brand?

- Priya Jain:** Even in B2B, it's not easy to get clients. So certain trust level is built there to get B2B business also. So I want to understand that how you are catching to these clients?
- Jenik Soni:** So, ma'am for the trust factor, we are present in all over the markets and participate in all the exhibitions and shows. And we are working with over 15 years to all the big chains and corporates in India. And through our work, our designs and our clear jewellery concepts, the trust is formed in the B2B space.
- So B2B space is not like the retail one where the scope is so broader. It's so narrow. All the clients very well know us and they know how do we work in the markets.
- Priya Jain:** So also, do you plan any exhibitions or do you plan to go in that segment? Or in future, can we expect that Ashapuri will be a customer-centric business and catering to retail?
- Jenik Soni:** No, we are very much clear on the manufacturing side and supplying to all the national and regional jewellery chains. We have no plans of any retail presence or supplying directly to the end users.
- Priya Jain:** Fair enough. Good to hear. All the best. Thank you. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Abhishek Sharma, an individual investor. Please go ahead.
- Abhishek Sharma:** Hello. So my question is, what is the company's strategy to manage inventory turnover efficiently, especially in premium and custom design categories?
- Jenik Soni:** So, I will take this question. So for the inventory turnover and for customized designs, we have a very clear guideline. We have two types of revenue system. One is make-to-order and one is ready to dispatch stock. So for example, in the upcoming season, we make capsule collections on manual sketch and present it to our clients. So, the filtration and selection process is done beforehand, making the physical jewellery.
- So, in that terms, we are very much clear that what we make, manufacture, will be delivered. So that's how we manage our inventory. And if you have seen, we have reduced our cash conversion cycle from around 200 to 160 days also. So that's increasing operational efficiency for us.
- Abhishek Sharma:** So next question is, could you elaborate on the company digital or omni-channel strategy to enhance sales and reach younger tech-savvy customers?
- Jenik Soni:** Yes, we do follow that omni-channel, but it does not implement a lot in B2B as it does in retail. Because when a retailer or a big-box jeweller is sourcing jewellery from us, he or she would prefer to have a physical touch and feel of the jewellery because it's a high value product. And we also deal in the Bridal category.

So, the product ranges are around INR8 lakhs, INR10 lakhs and INR15 lakhs per piece. So the omni-channel part doesn't make much sense here. But we do follow, we do have our ERP applications and design catalog as well.

Abhishek Sharma: The last question is, what are the key levels the company is exploring to improve EBITDA margins in the coming quarters?

Jenik Soni: Sir, you would like to go with this?

Jitendra Soni: To keep EBITDA margins positive and to improve it, for the last two years, we have more focus on high-margin products, focusing on premium products. This year, we have introduced polki and Diamond products in the design language, which are high-margin products. We have also received a very good response from the market.

We have also received very good orders from big-box chain stores in polki and diamond jewellery. So these are all the steps where in the upcoming 2-3 years, we will improve EBITDA margins through our high-margin products.

Abhishek Sharma: Thank you, sir. That's it from my side.

Moderator: Thank you. We'll take our next question from the line of Mohit Kumar, an individual investor. Please go ahead.

Mohit Kumar: Thank you for the opportunity, first of all. So, my question is, how is Ashapuri managing pricing strategies amid changing gold duties and competition from online first jewellery brands?

Jitendra Soni: Majorly, the pricing that you mentioned, we hedge in that to secure our profit margin. And to secure the volatility of the pricing, we are using the hedging strategy. Majorly, we have two types of sales. One is unfixed and one is fixed. When the product is selling in unfixed sales, that doesn't impact in our pricing movement. But when we do a fixed sale in terms of rate booking, we hedge the pricing against that. So, we can save from the volatility. So we hedge the price against that.

Mohit Kumar: Okay, thank you. So the next question I have is, are there plans for fundraising or equity dimension to support growth initiatives, acquisitions or working capital needs in the near future?

Jitendra Soni: If there is any need in the future, we will definitely think about it. As such, we have just completed the fund-raise round last year. So, we have not yet come to a decision to fundraise. But if there is an out-of-the-box demand and working capital is short, then we will definitely go for fundraising.

Mohit Kumar: Okay, thank you for answering that. That's it from my side.

Moderator: Thank you. The next question is from the line of Shreya Verma from Unity Finance. Please go ahead.

- Shreya Verma:** Sir, I wanted to know what is Ashapuri's current market share in the regions it operates and how does the company plan to capture a larger share of the organized [Inaudible-24:31]?
- Jenik Soni:** So, I would like to take this question. By defining the market share in this industry is a little bit tricky and difficult because it's very much segmented markets. There are lots of types of different jewellery concepts and SKUs in which other players deal.
- So, bringing out the right market share for this industry is pretty much difficult. But you can judge the company in terms of numbers and volumes that it does in the industry under one category. Because there are other players who deal in lightweight jewellery, which is really their concept. But we focus on antique jewellery, which is occasional and festive concept. And our retailer purchases both types of concepts. So bringing out market share is difficult in this area.
- Shreya Verma:** Okay. And how do you differentiate from other listed and unlisted players in the antique and traditional jewellery segment?
- Jenik Soni:** Yes. So I would like to say that our main value addition on the fundamental basis is design language. From FY23-24 to FY24-25, our design bank increased from 18,000 designs to 25,000 designs. So that's the main value addition for us where we differentiate.
- And second is the rapid delivery. And we have a physical stock also. So, in terms when the client's urgent need rises, we can supply them from our stock directly. So those two things are our differentiation from other players in the market.
- Shreya Verma:** And what percentage of the company's revenue comes from institutional or bulk orders versus retail customers? Is there any focused strategy to grow either?
- Jenik Soni:** Yes. So currently, we have our revenue distributed in two parts. One is national and regional chains, and one is big box clients. So, in last year, around INR222 crores was generated from corporate clients, and around INR93-INR94 crores was generated from big box clients.
- Shreya Verma:** And has the company explored or implemented export opportunities for its antique or designer jewellery collection? If so, what markets have been targeted?
- Jenik Soni:** As of now, for gold, India is a blessing because now for last two years, it has become the highest consumption market in the world. Yes, we do have export licenses and we have explored opportunities that are open to explore. But currently, we have very much big opportunity and much more forward-going approach in Indian markets only. So, we have a main focus present in domestic markets, supplying and increasing our pocket share in national and regional jewellery chains.
- Shreya Verma:** Okay. Thank you. Sir, I have one last question. Can you provide insights into the company's R&D or design innovation capability, like their dedicated in-house teams or collaboration with external design?

- Jenik Soni:** Yes, for R&D department, mainly we have mentioned in my remarks that we have launched our new collection, Aneya. So we have four different collections and a separate design team for each collections. So, we have a process of filtering other designs from manual sketch to CAD, to 3D, to sampling, to prototype stage, to final designs. So that all R&D process is there and we do have dedicated team for all these things and that's how the design is created.
- Shreya Verma:** Thank you so much for answering. All the best.
- Moderator:** Thank you. The next question is from the line of Satyam, who is an investor. Please go ahead.
- Satyam:** Hi, team. Thanks for the opportunity. My question is, since the management is really confident about the growth prospect, is there any plan to go for increasing the management share via buy-back? That is the question.
- Jenik Soni:** Jitubhai, you will go with this?
- Jitendra Soni:** I did not hear Satyam's question.
- Satyam:** Okay, so mine is whether the management is planning to increase the stake because currently the management shareholding is somewhere around 50%. Previously, it was closer to 70%. So now, any plan to increase the percentage as a buy-back option?
- Jitendra Soni:** 100%. We close FY23, FY24. In terms of kg, we sell 273 kg. And in FY24, FY25, we sell almost 440 kg. So its growth shows in last year to year 61%. And we are very much hopeful about this year that we close 50% to 60% growth in terms of quantity, kg terms. So, we majorly analyze our all the meetings, board meetings, or target achievement in terms of only in kg, not in figures. So, we are very much hopeful for this year that we closed approximately 50% to 60% growth from here.
- Satyam:** Okay, and any plan to increase the shareholding from the promoter side?
- Jitendra Soni:** Yes, of course, why not? Whenever we have some opportunity, we can increase our shareholding pattern.
- Satyam:** But no plan to reduce it, right? Because already we have less than just below 50%. So, no plan to reduce. But if in case any opportunity arises, you will increase.
- Jitendra Soni:** Just because last year we raised the fund, that's why somehow the shareholding pattern is the promoter shareholding reduced. But then the last year, we have just fundraising. So if any chance to shareholder plus increase, we can increase, sir.
- Satyam:** Okay. Thank you. Thank you so much, sir. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Nitin Verma, an individual investor. Please go ahead.

- Nitin Verma:** Yes. So my question is based on your intro. You said that you are trying to venture into diamond as well. And the second thing you said that in the next two, three months, you are trying to increase the capacity. So, regarding those two, in diamond, are you planning to venture into lab grown diamonds or natural diamonds or both?
- And regarding the second increase the capacity, how much capacity are you planning to increase from the existing? Yes, currently you are on 93% utilization. So what is the new capacity that you're going to add in the next two, three months? These are the two questions.
- Jenik Soni:** So, for the capacity utilization around, we are on 500 kgs and we are looking to expand around 50% of 500 around 750 kgs in next two, three months. And again, it depends on the market condition. If we got good orders and good response and we can get up to 1 ton also. And can you come back to the second question, please?
- Nitin Verma:** You just mentioned that you are planning to go into diamonds also.
- Jenik Soni:** Diamonds. Yes.
- Nitin Verma:** Two markets are there. There is a lab grown diamonds and natural diamonds. So what are the plans?
- Jenik Soni:** Okay. So currently we are doing a specific project-based collections for polki and diamond jewellery in which the major part of jewellery will be focusing on polki side. And for the diamond, we are not looking to foray into lab grown diamonds as of now. We will only be dealing in natural diamonds.
- Nitin Verma:** Okay. And one more, the current capacity, which you have, how much percentage is going to increase on that? I just couldn't collect the number.
- Jenik Soni:** 50%.
- Nitin Verma:** So, if things go well, so in this current year, financially, will we be able to utilize the whole capacity, which we are increasing?
- Jenik Soni:** Surely. Surely we can go over about that also to 100%.
- Nitin Verma:** Okay. Perfect. That sounds perfect. Thank you. Thanks a lot. That was all from my side. Best of luck.
- Moderator:** Thank you. The next question is from the line of Arvind Jadhav, an individual investor. Please go ahead.
- Arvind Jadhav:** This time the cost of material is more compared to sales. What could be the reason?
- Jitendra Soni:** Cost of material, cost?

- Arvind Jadhav:** Yes, material cost..
- Jitendra Soni:** Sir, in our product, the major raw material is bullion. So, the bullion gold rate which has risen in the last year, that is why you are seeing this more. Right.
- Arvind Jadhav:** In this, inventory is also showing an increase, what could be the reason?
- Jenik Soni:** Inventory is increased because of fundraise.
- Arvind Jadhav:** Inventory increased because of fund raise?
- Jenik Soni:** Are you talking about inventory days or quantity?
- Arvind Jadhav:** No, the amount of inventory is INR52 crores something. Is that right? So, it looks high compared to sales. So, what is the reason?
- Jitendra Soni:** I am unable to understand your question. I will understand this and can respond to your question later.
- Arvind Jadhav:** The cash flow statement that we see, it is showing an inventory of INR52 crores and sales is INR85 crores. So how is the inventory so high?
- Jitendra Soni:** Sir, we work with the stock as well. We have two policies. The capital that we have invested, we work with the stock as well. So, the inventory is going to remain in the closing stock. We sell the ready stock as well. We take orders from the sampling and keep the inventory and sell it. Whenever the client needs, whenever the client has a requirement, whenever we need the stock, we deliver it in the ready stock as well. So, we have to keep the inventory.
- Arvind Jadhav:** Okay. Regarding next year's revenue guidance, EBITDA and net profit guidance, will there be any clarity on this?
- Jitendra Soni:** Yes, definitely. Jenik?
- Jenik Soni:** Next year's revenue guidance, as sir had already mentioned, we are expecting an increase of 50% to 55% in quantity. We are expecting an increase gain of 50% on the 440 kg that we closed this year. And our loss profit and net profit margin, I hope, I am saying it will remain around this same only.
- Arvind Jadhav:** Okay. Same only.
- Jenik Soni:** Same percentage based on the revenue.
- Jitendra Soni:** Based on the revenue growing, the net profit will also grow in terms of 50% to 55%.
- Arvind Jadhav:** Okay. That's good. And who are the competitors? Can you mention one or two names?

- Jenik Soni:** It's a segmented industry, sir. Each and everyone has their different design concepts. And each and everyone has their right share of market. So, as of now, we don't see anyone as a direct competitor to us. But it's an industry where we can work on our own concept. Because the main thing is product. And product is differentiation in terms of designs. And that is different with all the other players.
- Arvind Jadhav:** And what could be the per piece costing of the jewellery? Can you mention that? What is the minimum cost of the per piece? Is there any threshold for that?
- Jenik Soni:** That's objective. That depends on various factors like what type of design, what weight range it is, what is the making charge, what are the stones used. So, it's objective, sir.
- Arvind Jadhav:** Okay. And last one thing. This time, the employee cost is much lower compared to last quarter, means December quarter. So, why that much of difference is there? Employee cost? Compared to December, it is less than 50%.
- Jitendra Soni:** Yes, sir.
- Arvind Jadhav:** Yes, compared to December, it is less than 50% employee cost.
- Jitendra Soni:** Sir, are you asking why the employee expense is less?
- Arvind Jadhav:** Right.
- Jitendra Soni:** Sir, this is a quarter on quarter based on our artisan demand supply. Whenever we have demand for artisans in the quarter, we keep more artisans. And if the demand is less, we keep less artisans. Because of that, there will be variation in the quarter.
- Arvind Jadhav:** Because compared to last quarter sales, last quarter sales were INR101 crores. And the employee benefit was INR2.74 crores. And this time sales is INR84 crores. And employee benefit is just INR1.28 crores.
- Jitendra Soni:** But sir, if you look at its quarter on quarter, but if you look at it year on year, then it has almost doubled. Right.
- Arvind Jadhav:** It has increased with sales. That is correct.
- Jitendra Soni:** Yes, that's the thing. If you compare employee expense with sales YoY, then it has increased. But if you do QoQ, then somehow there is demand supply. As I told you, in a particular quarter, like in our main bridal category, during the wedding season, we have more demand for man force. So at that time, we hire more artisans. Okay.
- Arvind Jadhav:** And what are those antique jewellery?
- Jitendra Soni:** Yes sir, studded antique jewellery.

- Arvind Jadhav:** Okay. Thank you, sir. That's it from my side.
- Moderator:** Thank you. The next question is from the line of Abhinav Kajuria, an individual investor. Please go ahead.
- Abhinav Kajuria:** Thank you for the opportunity, sir. Firstly, congratulations for the good number. Sir, I have some basic questions. Sir, first, like whatever our clients, particularly those who have been on-going in the current quarter, basically I want to know, what is the situation of their clients? Recently, we have been getting orders, such as Malabar, such as Titan. Do these orders flow on a monthly basis? Or do we keep one-time orders, we give the supply to them and we get the thing done?
- Jitendra Soni:** In this, this order is generated in 2-3 ways. One is a specific event. Like there is an exhibition. In a particular exhibition year, there are 2-3-4 exhibitions in our industry. From there itself, there is an order book for the upcoming season, before. And one is that we make a new collection from our end. Regarding that collection, when we have a new sampling line, we also have order books from that.
- And the third thing is that there is an urgent demand. Like sometimes the parties, all the clients who live, whatever orders they have received through sampling or through exhibition, their production starts. And as soon as they get some refilling system, like they have some daily-to-daily refilling system, we get orders from their ERP or their OMS. So we complete these orders in 2-3 ways. And one more thing is that there is an urgent demand.
- Like today they have an urgent demand for a product, so we select that ready stock. In this way, in the mode of sales of each and every client, there is continuity in this way. So it is not that this order came only through one time or through one event. The order cycle which remains, one is on the collection base, one is on the event base, it remains before the wedding season. And then after their refilling, stock refilling system, we also get orders from OMS.
- Abhinav Kajuria:** One more question, sir. Like if you are a competitor, like Skygold is your competitor. So they have, like I got to know, they get an advance loan from the customer and that more charges, means the gross margin of profit is added, like in manufacturing, they get better profit by making charges. So do you get some advance loan from the customer and then you apply making charges on it and sell your design?
- Jitendra Soni:** There are, we have some clients who give us advance gold and we do jobwork for them.
- Abhinav Kajuria:** Sir, I need guidance, like upcoming 2-3 years, so where do we go from here, like a big top up or bottom line, PAT to margin, what is going to be the upcoming margins?
- Jitendra Soni:** See, we are very much hopeful. The last 2023-24, which we have grown, from so much of uncertainty, so much of uncertainty, so much of gold price, even after the last hit, we have grown 61% on quantity, year on year, from 273 to 440. In that, even this year, the clients who have been on board with us, new chain stores, national chain stores, and their speech in concall, they are very much bullish on jewellery. So almost, we will also grow 50%-60% this year easily.

- Abhinav Kajuria:** Okay, sir. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Suruchi Parmar, from Annex Wealth Management. Please go ahead.
- Suruchi Parmar:** Hello, thank you for the opportunity. Sir, just wanted to know, the North East expansion you are talking about, you have given insight in North East expansion, any onboarding of any client you have done?
- Jenik Soni:** Yes, for the North East, we have onboarded two regional chains as of now. And we are also currently seeing the product market fit and observing all the business model structure is fitting there or not. But we have onboarded two regional chains from North East.
- Suruchi Parmar:** So these are towards your new focused product Aneya or your other products?
- Jenik Soni:** No, it's for our mainline existing collections, which is Maayin and Kaavis, which is lightweight jewellery.
- Suruchi Parmar:** Lightweight. Okay, okay. And so going forward, what do you think, looking at the Northeastern market, what feel like the heavy jewellery and or diamond one will, you can grab the market there or what do you feel?
- Jenik Soni:** We are still in the observation process. For one more quarter we will see and then we will finally come out of the outcome set. How does the market work there?
- Suruchi Parmar:** So the two chains you are talking about you have onboarded is the customers are or the client is the same which you all have already worked in the other regions or it's the new ones?
- Jenik Soni:** No. They are based out of headquartered in North East. Okay.
- Suruchi Parmar:** And can you name your top five clients from whom the revenue percentage comes majorly?
- Jenik Soni:** So, we do majorly deal in national and regional jewellery chains and which is by default you will know that the few limited corporates in the market which we deal with.
- Suruchi Parmar:** Okay. Can you name any three clients, your top three clients?
- Jenik Soni:** You will get to know from our numbers only. I would not like to specifically mention any client's name as of now.
- Suruchi Parmar:** Okay. And what is the percentage of your repeat clients?
- Jenik Soni:** So currently top 10 customers contribute over 48% of our revenue. So and they are constantly with two or three times of dealing per month and on the two, three different channels which what I mentioned is order-based, event-based and exhibitions. So there is a good amount of repeat we get from our clients.

- Jitendra Soni:** Majorly the clients who are on-board every year they have continuity. Their repeat orders keep on going. Because they need new designs which we provide them. So majorly only repeat orders we get.
- Suruchi Parmar:** Sir, I just wanted to know in your business is seasonality there? Like when you are into going for this some show or something and there seasonality comes or QoQ same business will be there. So can you elaborate on that?
- Jenik Soni:** Yes. The seasonality don't come on the shows. It comes on quarter-on-quarter basis. Because when it's festive and occasion season starting from quarter two and quarter three the quarter numbers are much better. And when quarter four and quarter one is little bit of lean period where we focus on lightweight concept and new innovative designs which is used for you know daily wear concepts and things like that. So we grab sales from our jewellery and inventory management according to the quarters.
- Suruchi Parmar:** Okay. And how what is your order book as on date? If you can specify that.
- Jitendra Soni:** Order books?
- Suruchi Parmar:** Yes.
- Jitendra Soni:** Order book means different, different clients overall order book will be in continuity INR20 crores to INR25 crores approximately.
- Suruchi Parmar:** Okay. And so like you are talking about revenue growth of 50% to 55% volumes from your right now 440 kg base. So just wanted to know you have done expansion also. So already you have achieved I guess 90% to 93% of your capacity. Correct? In '25.
- Jenik Soni:** Right. Yes.
- Suruchi Parmar:** So now the whatever revenue growth will be added based on your new capacity it will be there?
- Jenik Soni:** Yes. Of course. We do have a premises of manufacturing unit. We can do manufacturing till 1.5 ton. And for increasing our capacity wouldn't be much a task for us. We just need two to three weeks to set up a floor with skilled artisans and we can increase our production capacity based on the required demand.
- Suruchi Parmar:** Okay. Thank you so much for answering all the questions and all the best.
- Moderator:** The next follow-up question is from the line of Aditi Roy from Patel Advisors. Please go ahead. Miss Aditi, your line is unmuted. You can go ahead with your question.
- Aditi Roy:** Thank you. My first question is can you provide insight into the working capital cycle and how it is being optimized amid gold price fluctuations?

- Jitendra Soni:** So, price fluctuation is what I told you earlier that to avoid price fluctuation or to avoid risk, we are using hedges against our fixed sales.
- Aditi Roy:** Okay, sir. And I wanted to know if you can provide any guidance for the next two years?
- Jitendra Soni:** Sorry?
- Aditi Roy:** Can you please provide any guidance for the next two years?
- Jitendra Soni:** As I mentioned earlier, we are expecting 50%-55%. Accordingly, NPP will increase accordingly.
- Aditi Roy:** Okay, sir. Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Mahesh, an individual investor. Please go ahead.
- Mahesh:** Thank you for the opportunity. So, my first question is can you elaborate on the lead times from design to final product delivery? And how are you improving operational efficiency in this area?
- Jenik Soni:** Okay, so generally lead time depends on the type of jewellery we manufacture. So, there are total four different collections in which we deal. For traditional antique jewellery it's all handmade antique jewellery which we are focused on. So, it takes around 20 to 25 days of lead time from manual sketch to final product for antique jewellery. And for temple jewellery it takes around 18 to 20 days to convert it into from sketch to final.
- And for again polki and diamond jewellery it's similar time to our collection around three weeks. And for the operational efficiency question, I would like to say that we are also focusing on specific tailored collection for the clients in which we do get orders based on the new design concepts and sampling photos for them and by which we do not have to make our main line stock and that's how we increase our inventory cycle.
- Mahesh:** Okay, got it. And my next question is that what is the current capacity utilization at your production facility and are there plans for the capacity expansion in the near term?
- Jenik Soni:** Yes, I have already mentioned that before. So, currently, we have 500 kgs of production capacity. We are planning to increase around 50% in the next two to three months and if we can see the good demand, we can mostly double it also in this year.
- Mahesh:** Okay, so doubling it in this year. Okay, got it. Thank you. Thank you for answering.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions from the participants, I now hand the conference over to Mr. Harshal Ghanshyani for closing comments.
- Harshal Ghanshyani:** Thank you everyone for joining the conference call of Ashapuri Gold Ornament Limited. If you have any questions, you can write to us at research@kirinadvisors.com. Once again, thank you everyone for joining the conference call.



Ashapuri Gold Ornament Limited
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Moderator: Thank you. On behalf of Ashapuri Gold Ornament Limited, that concludes this conference.
Thank you for joining us and you may now disconnect your lines.