



June 09, 2025

To,

**BSE Limited**

Corporate Relationship Dept.  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001.

**Ref: Scrip Code. 543995**

**National Stock Exchange of India Limited**

The Listing Department  
Exchange Plaza Plot No. C/1, G Block,  
Bandra – Kurla Complex Bandra (East),  
Mumbai – 400 051

**Ref: NSE Symbol – MVGJL**

**Sub: Transcript of the Conference Call held to discuss the results of Q4 FY 2024-25 as required under Regulation 30 of SEBI (LODR) Regulations, 2015.**

**Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

**Dear Sir/Madam,**

With reference to the above-mentioned subject, we wish to inform that,

- i) The copy of the Transcript of the Conference call held on Wednesday, June 04, 2025 to discuss the results of the fourth quarter and year ended March 31, 2025 is enclosed herewith.
- ii) The Transcript is also uploaded on the Company's Website and the web-link for the same is: <https://vaibhavjewellers.com/pub/media/investor-relations/meetings/earnings-call/Q4-FY25-ManojVaibhav-Transcript.pdf>
- iii) The List of Management attendees is stated in the transcript.
- iv) No Unpublished Price Sensitive Information was discussed in the call.

This is for your information and necessary records.

Thanking you,

Yours Sincerely,

For **Manoj Vaibhav Gems 'N' Jewellers Limited**

**Bandari Shiva Krishna**

**Company Secretary & Compliance Officer**

**M. No: F11172**

**MANOJ VAIBHAV GEMS 'N' JEWELLERS LIMITED**

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**“Manoj Vaibhav Gems ‘N’ Jewellers Limited  
Q4 FY '25 Earnings Conference Call”**

**June 04, 2025**



**MANAGEMENT: MR. RAKHAL GONTLA – CHIEF OPERATING OFFICER –  
MANOJ VAIBHAV GEMS N JEWELLERS LIMITED  
MR. PULI RAMA NAGA VARA PRASADA RAO,  
GENERAL MANAGER OF FINANCE & ACCOUNTS –  
MANOJ VAIBHAV GEMS N JEWELLERS LIMITED  
MR. BANDARI SHIVA KRISHNA -- COMPANY  
SECRETARY & COMPLIANCE OFFICER – MANOJ  
VAIBHAV GEMS N JEWELLERS LIMITED  
MR. P. S. RAO -- PRACTICING COMPANY SECRETARY  
AND SECRETARIAL AUDITORS OF THE COMPANY –  
MANOJ VAIBHAV GEMS N JEWELLERS LIMITED  
MR. GRANDHI VITTAL -- PRACTICING CHARTERED  
ACCOUNTANT – MANOJ VAIBHAV GEMS N JEWELLERS  
LIMITED**

**MODERATOR: MS. PALAK AGARWAL – TWENTY EIGHTH  
CONSULTING**

**Moderator:** Ladies and gentlemen, good day and welcome to the Manoj Vaibhav Gems 'N' Jewellers Limited Q4 FY '25 Earnings Conference Call. We have with us today from the management, Mr. Rakhal Gontla, COO, Mr. P.R.N.V. Prasad Rao, General Manager, Finance and Accounts of the company, Mr. Bandari Shiva Krishna, Company Secretary and Compliance Officer, Mr. P. S. Rao, Practicing Company Secretary and Secretarial Auditors of the Company, Mr. Gandhi Vittal, Practicing Chartered Accountant, Ms. Palak Agarwal from Twenty Eighth Consulting as Moderator.

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.

I now hand the conference over to Mr. Rakhal Gontla, COO from Manoj Vaibhav Gems 'N' Jewellers Limited. Thank you and over to you, sir.

**Rakhal Gontla:** Good morning, everyone. This is Rakhal Gontla, COO of Manoj Vaibhav Gems 'N' Jewellers Limited. So I would welcome all of you for the Q4 FY '25 earnings call. I just want to give a brief update about the company and after that we'll be taking up on the Q&A session. So this year has been a great journey. So when it comes to our showrooms, we have increased 6 more showrooms in the last year. So now our entire count has been 21 showrooms from last year. So we have increased in average billing values and we have increased the showroom presence in Andhra and Telangana.

So we have increased the presence majority in Tier 2 and 3. We have been growing stronger in those areas as we have explained in like last calls and other investor meets that we have been strongly working on expansion in Tier 2 and 3. And we are actively looking towards it and we'll be -- we are looking in the same direction and we'll try delivering the best to the company.

And first of all, I would like to thank all the investors, customers, stakeholders, employees who has been of a great support for the entire last year. I'll just hand over the call to Mr. Ram Prasad. So he will give you details about the financials and after that we will take on the Q&A. Thank you.

**P.R.N.V. Prasada Rao:** Good morning, all. This is RamPrasad, General Manager, Finance and Accounts. Behalf of the company, good morning, everyone. I extend a warm welcome to all of you to the earning call for the January to March quarter Q4 of the financial year '24-'25. As seen in the previous quarter, gold price remained volatile throughout the Q4 and continued the upward trajectory. Despite the challenging environment, the company has delivered a resilient and strong performance.

Here is a summary of our key financial highlights. I am delivering a Y-o-Y, Q-o-Q and Y-o-Y yearly basis. This Y-o-Y quarterly turnover of the quarter is INR705.10 crore and reflecting a 29.0% increase. Towards the EBITDA, it is INR45.62 crores, reflecting a 24.3% increase. And

PBT, this is INR36.17 crores and the growth is 29% and comes to the PAT, it is INR26.75 crores with an increase of 30.1%.

Now, Q-o-Q basis, turnover is INR705.10 and increase is 41.7% and EBITDA is concerned INR45.62 and actual growth is 21.6% and PBT is 36.17% making a growth of 25.7%. Whereas the PAT concerned it is INR26.75 and the increase is 6%. Year-on-year basis, the turnover is INR 2,384.02 crores and total increase is 10.9% and EBITDA is concerned it is 9.5% increase and PBT is concerned it is INR129.66 crores with a growth of 19.3% and the PAT is concerned it is a 100 touch point and registered a 24.1% increase.

We would like to highlight that this is the second investor conference call being conducted by the company and the management is pleased to be addressing you directly. We kindly request that all the questions and discussions during the call be forward-looking in nature. With that, I now open the floor for questions. Thank you.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. Our first question comes from Manan Shah from Moneybee Investment Advisors. Please go ahead.

**Manan Shah:** Yes. Hi, sir. Thank you for the opportunity and congratulations for a great set of numbers. Sir, in this quarter, we saw a fantastic growth for this quarter. What led to such a great growth during the quarter, if you can highlight on a sequential basis, as well as on a Y-o-Y basis?

**Rakhal Gontla:** So, good morning, Mr. Mananji. Thanks for the question. So one major thing is, we had like lot of good auspicious days and events, which has come in Q4 that has really helped us. So in the majority, generally, the jewelry business completely drives on the basis of auspicious days and the more terms, especially in the South. So we had a great set of dates and numbers there. So that has been one thing.

And the second thing is, there are a few stores which we opened like last year. So they also added up to these numbers. There are like few more stores where -- which we opened in the fag end of the year. So those numbers and those positive things, we'll be looking at the next year. These two, one of the major reasons are, like definitely, these two have been major reasons why we can see good numbers then.

**Manan Shah:** Got it. And then, if I come to the gross margins, now, despite having these auspicious days, which led to such a high sale, why did we see a dip in the gross margins sequentially, as well as on a Y-o-Y basis?

**Rakhal Gontla:** So, one thing is, so because the gold prices have gone so high, the general walk-ins on the window shoppers, we definitely see some kind of decline in them. So what we try doing is, we try offering some better discounts for better walk-ins and better sales. So when there is sudden increase in gold prices, it's kind of a shock to anybody who has been waiting to invest for one or the other occasion. So these are the things where we need to like offer this extra discounts and schemes where we get good numbers. So, definitely, we see a dip in that.

**Manan Shah:** Okay. So, now, since the gold price are more or less settled in a range, do you see the need to continue offering these discounts to drive footfalls to your stores? Or do you think now

customers have more or less settled with these increased prices and then you can again go back to your better gross margins?

**Rakhal Gontla:**

As of now, if it just remains at least for 6, 7 months, then customers on the outside, they get used to these numbers psychologically and they will be ready to accept. But if we see any ups and downs suddenly, probably, again, we need to offer something which tempts them to come to showroom. It's more of a diversion for them, like even though prices are increased, but they are getting prices at a better discounts. So, depending on the situation, we would definitely take a call.

**Manan Shah:**

Okay. And my last question is, what is the store opening plan for the coming year? And any -- so there are other major cities in Andhra Pradesh as well, like Vijayawada, Nellore, Guntur, where our presence is relatively low. And maybe Vijayawada is a city which can maybe absorb the stores similar to V Square. So, what is the plan for the coming year? Thanks.

**Rakhal Gontla:**

So, yes, this year, we have intended to open, when we wanted to -- we have been doing silver jewelry pretty decent in with our existing showrooms, 6, 7 showrooms. So, we were diverse. As last time, we mentioned that we want to put in standalone stores where we have good margins and good, you know, all the walk-ins for silver, good demand for silver jewellery's.

So, we have planned to open close to 10 showrooms in that 5 to 6, we have finalized on the locations and all the agreements are in place. So, we will be letting you know the exact locations in next few days or months, depending on whichever, because there are few, at least 3, 4 showrooms, we are in the stage of interiors and the other stuff is going on.

And when it comes to complete gold jewelry, this year, we are, you know, we are planning to open one Vissha, as you know, we been something called as Vissha jewelry for Tier 1 cities or little HNI or premium jewelry. So, we are planning to open a 6000 plus ultra premium showroom in Visakhapatnam that we have kind of finalized even on that. So, these two have been a major updates as of now. So, eventually, when we get other opportunities, when -- because we are exploring a couple of other options, it could be franchise or anything. Once we get we'll definitely let you know in the next follow up.

**Manan Shah:**

Understood. And anything on Vijayawada and other, you know, cities where the population size is large enough?

**Rakhal Gontla:**

Correct. So, Vijayawada also we are exploring. Initially, we actually, you know, we signed one for the good premium silver jewelry showroom there. So, we couldn't get a good location for the exact gold jewellery. So, we thought, okay, let's start with silver jewellery, start the presence and eventually depending on time and location, we would definitely look Vijayawada is also one option for Vissha.

So, we are, I mean, we are exploring this Vissha option first with Vizag because it will be one of a kind with different kind of experience because people or customers who have been spending more than INR5 lakhs, INR10 lakhs, they wouldn't want to come just to a regular gold jewellery showroom. So, we are trying to give a different experience. We are trying to create something, a concept kind of jewellery for them.

There is a lot of R&D is going there. So, probably next few months, we will keep the showroom rolling out. We have all the things there. So, I think we are in the stage of interiors even for the Vissha showroom. We will keep you posted on the other showrooms once we finalize.

- Manan Shah:** Thank you. I'll get back in the queue. And all the best for the coming year.
- Rakhal Gontla:** Thank you.
- Moderator:** Thank you. Our next question comes from the line of Yash Dantewadia from Dante Equity. Please go ahead.
- Yash Dantewadia:** Yes, hi. Congratulations on a good set of numbers. You were just telling us about your expansion plans, right? Could I know the opex cost that is going to go into this year? What have you budgeted in this year in terms of, I am not talking about inventory, I am just talking about opening the showrooms. Inventory is fine. I want to know how much you are going to be spending this year. And can you repeat the number of showrooms you will be opening this year again?
- Rakhal Gontla:** So, we have intend to open close to 10 silver jewellery showrooms. In that 5 to 6, we have already finalized. Remaining 4, we are looking out for options and places. And when it comes to the operational cost, which is where you want to just put the numbers in there.
- Grandhi Vittal:** Yes. The average cost for the setting up a store will be anywhere between INR5 to INR6,000 per square feet.
- Yash Dantewadia:** Okay. And what size are these silver jewellery stores?
- Rakhal Gontla:** Average 2,000, around 2,000, 2,500 depending on area, but around 2,000 would be minimum. It can go up to 3,000 also.
- Yash Dantewadia:** Yes. Also, you said 8 to 10 silver jewellery stores. How many gold jewellery stores?
- Rakhal Gontla:** So, as of now, one we are doing a premium one. Vissha is what we are doing. One, it's like a little bigger in size and bigger with the quantity and everything.
- Yash Dantewadia:** What is the size?
- Rakhal Gontla:** So, 6,000 plus square feet, it will be.
- Yash Dantewadia:** Yes. So, if I'm not mistaken, the other stores that you've opened recently have been somewhere around 2,500 square feet, right?
- Rakhal Gontla:** Yes. 2,000-2,500.
- Yash Dantewadia:** Yes. So, this is 6,000 square feet. And this will be opening by when?
- Rakhal Gontla:** By September, we are targeting.

- Yash Dantewadia:** And could you also tell me the spend opex cost here? I'm not talking about inventory, ex-inventory, what is the cost of opening the store?
- Rakhal Gontla:** So, this will cost around 8,000 to 9,000 per square feet.
- Yash Dantewadia:** Okay. And 8,000, this also includes the rent?
- Rakhal Gontla:** No, no, no. It's just the capex.
- Yash Dantewadia:** Oh, okay. And one last question. What growth are you factoring in for this financial year in terms of top line? Bottom line, I'm pretty sure you guys won't be able to predict exactly because it depends on the gold prices. But do you have any top line sales growth targets this year?
- Grandhi Vittal:** We are confident of continuing the same growth, whatever has been registered with annualized figures.
- Yash Dantewadia:** That was, I think the top line growth last year was around 15, 15 odd percent, right?
- Grandhi Vittal:** No, it is 10.9%. I mean, that same growth can be continued apart from the annualizing the stores open during the year.
- Yash Dantewadia:** Right, right. Okay, I'll come back in the queue. I have a couple more questions. I'll come back in the queue. Thank you so much.
- Grandhi Vittal:** Thank you.
- Moderator:** Thank you. Our next question comes from the line of Piyush Bangar with Vijit Global Securities Limited. Please go ahead.
- Piyush Bangar:** Hi. Good morning, everyone, and congratulations for the numbers. My question is, what is the same store sales growth of the pre-IPO stores in FY '25? And please bifurcate that in a flagship stores and non-flagship stores. Am I audible? Hello?
- Rakhal Gontla:** Yes, yes. One second.
- P.R.N.V. Prasada Rao:** Yes, this is 6.65% growth on year-on-year basis, sir.
- Piyush Bangar:** Yes, yes. That was given in the presentation. Yes. Yes, I want the bifurcation of it, of pre-IPO stores, and among that flagship stores and non-flagship stores.
- P.R.N.V. Prasada Rao:** Yes. In the last year, Rajam and Mancheri, these two stores are opened in '24, '25, 6 stores. We excluded both the IPO stores. So now, the competitive figure is 6.65% including flagship stores. Now, you want to know the excluding exclusively these two stores. Am I right?
- Piyush Bangar:** Yes, yes.
- P.R.N.V. Prasada Rao:** Okay. That is 2%, sir.

**Piyush Bangar:** 2% for the Rajam and Mancherial ones?

**P.R.N.V. Prasada Rao:** No, no, no, no. That is a flagship store.

**Piyush Bangar:** Okay. Okay. Got it. My second question is, how long does it take a store to get matured, like a number of years?

**Rakhal Gontla:** Vittal garu, can you just put the numbers for me?

**Grandhi Vittal:** It will be around 2 years.

**Piyush Bangar:** 2 years. And how many stores do we have that are older than 2 years right now?

**Grandhi Vittal:** Apart from this IPO stores 8, apart from that, all are more than 2 years only.

**Piyush Bangar:** Okay. Got it. Okay. I'll come back in a queue again. I've couple of questions.

**Moderator:** Thank you. Our next question comes from the line of Naitik from NV Alpha Fund. Please go ahead.

**Naitik:** Hi, sir. Thanks for taking my question. Sir, my first question is, if you could give me the revenue which we have done from the flagship store in Vizag for the quarter and for the full year?

**P.R.N.V. Prasada Rao:** On an annual basis, it is NR1,217 crore in '24-'25. And in 2024, it is INR1,195 crore.

**Naitik:** Sorry, for '25, it is INR1,200 crore, you said?

**P.R.N.V. Prasada Rao:** Yes, INR1,217 crore. And in 2024, it is INR1,195 crore.

**Naitik:** Okay. Got it. Sir, my second question is, what was the mix of started ratio for the year?

**P.R.N.V. Prasada Rao:** Pardon, sir?

**Naitik:** Started ratio, started ratio.

**P.R.N.V. Prasada Rao:** That we will address separately, sir.

**Naitik:** Okay. And sir, my last question is, if you could give the absolute amount of capex that we have in our mind for the full year that would be helpful.

**P.R.N.V. Prasada Rao:** For '26, you mean this is silver store and this is gold store?

**Naitik:** Yes, yes, yes, yes.

**Rakhal Gontla:** So, for example, if we are doing like, I mean, depending on size, INR1.5 crore if we take on an average for a silver jewellery or taking the smaller size, if 10 showrooms you are looking, INR15 crores, INR18 crores is what we will be looking. And along with Vissha, it will be INR21 crores, INR22 crores.

**Naitik:** Okay. Got it, sir. That's it from my side. Thank you.

**Moderator:** Thank you. Our next question comes on the line of Utsav from ICH. Please go ahead.

**Utsav:** Hi, good morning, sir. Congratulations on the great set of numbers. I would like to ask the stores that we opened in last March, what kind of growth have we gotten over there? Hello? Am I audible? Hello?

**Rakhal Gontla:** Yes, sir. Yes, sir. You are audible.

**Utsav:** Am I audible? Sir, I just wanted to ask, what kind of growth have we got on the stores that we opened in last March? If you open 2, 3 stores over there.

**Rakhal Gontla:** Yes. The figure -- the numbers in it.

**P.R.N.V. Prasada Rao:** Sir, I am not able to hear him properly, sir.

**Utsav:** Sorry?

**Rakhal Gontla:** They are asking, Rajam, I think the last 2 showrooms, which was opened in previous year, those turnovers is what they are asking.

**Utsav:** Yes. What kind of growth have we gotten?

**P.R.N.V. Prasada Rao:** Yes.

**Rakhal Gontla:** For 1 year.

**P.R.N.V. Prasada Rao:** Correct. Sir, it is around INR45 crores, sir.

**Utsav:** And what kind of growth are we expecting, sir?

**P.R.N.V. Prasada Rao:** It is a normal growth of 10% in 10 years, sir.

**Utsav:** Okay, sir. My next question I would like to ask regarding, does the management plan to give any dividends, sir? Because we are earning good, decent profits. Any dividend to shareholders will also be good, sir.

**Rakhal Gontla:** So, we are actually working out, probably our secretarial team, they are helping us to work out. We will definitely get back once we fix on the policies.

**Utsav:** Okay. And one more thing, the Visakhapatnam store that you're planning to open in September, what kind of revenue potential are we targeting over there?

**Rakhal Gontla:** Sir, we are trying to at least do around INR200 crores, at least INR150 crores to INR200 crores minimum would be the first year target is what we are planning.

**Utsav:** Okay. And you plan to reach around INR1200 crores going ahead, across to the Vizag store in the near future?

- Rakhal Gontla:** No. So, eventually, I mean, from INR200 to INR1200, probably at 1 year, it won't be possible. But yes, definitely there is good scope, because Visakhapatnam is growing, a lot of infrastructure development is happening. That's why we have taken a call. We have to give a pattern to different kinds of customers in a different way. But we would want to start with this. We would want to give a good growth event, so to myself.
- Utsav:** Okay. And one last question, sir. The balance shows that you are opening up the silver showroom, the smaller one. What are we targeting over there for a year? On revenue basis, like any target we have?
- Rakhal Gontla:** We got the numbers. Can you just give on the silver showrooms?
- Utsav:** Yes, for one showroom, like INR15 crores, INR30 crores. Approximately, how much are you targeting over there?
- Grandhi Vittal:** See, for a silver store, we are targeting at the inventory ratio of approximately 1.25 to 1.5. And the margins are, it will be around 25% to in between 25% to 30%.
- Utsav:** 25% to 30%?
- P.R.N.V. Prasada Rao:** Yes.
- Utsav:** Okay. Thank you, sir.
- P.R.N.V. Prasada Rao:** Thank you.
- Moderator:** Thank you. Our next question comes from the line of Arpit Tapadia from IGE Family Office. Please go ahead.
- Arpit Tapadia:** Yes. Thank you for the opportunity and congratulations on the good set of numbers. My first question is, can you please provide a breakup between same store sales growth and new store growth during the year?
- P.R.N.V. Prasada Rao :** That we can share separately, sir. It is not possible to give the data in the column.
- Arpit Tapadia:** Okay. My second question is, can you please provide a breakup of inventory between gold, silver, and others?
- Rakhal Gontla:** The total, you want it in the terms of sale, is it, sir?
- P.R.N.V. Prasada Rao:** Part he's asking, sir.
- Arpit Tapadia:** No, no.
- Rakhal Gontla:** In terms of sale, you want. Can you please repeat your question?
- Arpit Tapadia:** You are having around INR1300 crores of inventory. So, I was asking to provide you the breakup of the same between gold, silver, and others.

**Rakhal Gontla:** Okay.

**P.R.N.V. Prasada Rao:** Around 90% is the gold, sir.

**Arpit Tapadia:** Okay.

**P.R.N.V. Prasada Rao:** And...

**Rakhal Gontla:** Another 5, 6%, 7% would be diamonds and stones. And 2%, 3% would be other.

**P.R.N.V. Prasada Rao:** Other.

**Arpit Tapadia:** Got it. Okay. Best of luck for the future. Thank you.

**Rakhal Gontla:** Thank you.

**Moderator:** Thank you. Our next question comes from the line of Gaurav Agrawal from Nine One Capital. Please go ahead.

**Gaurav Agrawal:** Hi, sir. Thank you for the opportunity and congratulations on good numbers. Sir, on your gold stores, you know...

**Moderator:** Sir, before you go ahead, sorry to interrupt you, sir. Mr. Gaurav, may we request that you use your handset, sir? Your audio is slightly muffled, sir.

**Gaurav Agrawal:** Okay. I'll use the handset.

**Moderator:** Yes, sir. Thank you.

**Gaurav Agrawal:** Is it better now?

**Moderator:** Yes, sir. Please go ahead.

**Gaurav Agrawal:** Yes. So, sir, I was asking in the catchment area where you operate and your customers who come to your stores, what are the other options these customers have? Indirectly, like whom do you compete with? Is it like the national chains like Malabar, Tanishq, etc? Or is it the local unorganized shops in your catchment area, you know, where you're trying to gain market share from?

**Rakhal Gontla:** So, in like this little larger cities, Tier 2 and all, yes, we have all the national players. The other places where we have like 3 and 4, there are 4-5 showrooms where, as of now, there is no pan-India national player. But yes, we do have competition with unorganized players. So, yes, again, depending on the area, we do compete with national players, as well as unorganized players, the local players.

**Gaurav Agrawal:** But, sir, what is your, you know, like, value proposition for a customer, like if somebody has option to go to Tanishq or Malabar, or somebody comes to you, what do you compete on? You have a lower making charges, same designs, or different designs, local designs, you know. What exactly is your value proposition for a customer who comes to your showroom?

**Rakhal Gontla:** So, one, I mean, at least to the new showrooms where we have opened or the Tier 3 and 4. So, we try getting into those showrooms before some national player is there in that place, or given a chance, most of the time, there is like no national players. The direct competition would be the local players. So, what we try doing is, in first 1-2 years, we try developing the trust and brand over there, so that the loyalty and the relationship with company and the customer, it will be increasing in those first 2-3 years.

Eventually, when somebody comes, yes, we will have a competition. So, that's where this, you know, first-comer advantage helps us to give a better platform for us to connect because we have been there in the same place before somebody comes in.

And second thing, yes, we have been known for designs. So, like people, if there are competitors next to us, probably one, definitely a USP, what we would definitely sit on as a strength is, yes, designs have been a major strength. We try, you know, doing a lot of customization, we try doing a lot of customer service and for the people. So, that's why one of the reasons why we definitely feel people do come to us, even though there are bigger players around us and national players there.

**Gaurav Agrawal:** Okay. But in your gold, you are primarily a gold player, right? If my understanding is correct. So, most of your designs, you design in-house or you rely on other people who are manufacturers for even bigger national players. So, you also like gold designs also from them, from outside manufacturers.

**Rakhal Gontla:** Now, what we do is we try curating, we do not have any in-house manufacturing, but we have a curation team, you know, where we exactly curate what show, exact each and every showroom wants, rather than, you know, we picking up a lump sum thing for a company level. We try keeping customer base of each and every showroom that manager gets to, you know, give a lot of feedback and we try to improvise depending on our previous sale, what's the feedback.

So, we curate a lot of stuff and we give it to those job workers or manufacturers. So, they do whatever designs we have asked for, they try, you know, keeping it for us. Even though it's a plain gold jewelry, there is a lot of intricacy and a lot of design work involved in that. So, yes, we try taking that kind of, you know, minute thing into consideration and we try getting those designs out from them.

**Gaurav Agrawal:** And sir, pricing in terms of making charges on a like-to-like basis, let's say a decently complicated jewellery, how much making charges would you be charging versus in your Tier 1, Tier 2 competitors, Tanishq, etcetera, Malabar. So, what is your making charges versus theirs?

**Rakhal Gontla:** So, again, it, I mean, we range somewhere from around, we start somewhere from 8, 7, 8, 9, again, it goes up to 25, depending on different, different jewelries. So, again, because every, you know, like, starting from 7, 7.5, 8, 8.5, like a lot of options, a lot of items. So, there is no exact number what we do. And I am sure, I mean, the other players also have the same different ranges. So, but yes when it comes to...

- Gaurav Agrawal:** For pricing you would say broadly it is similar to what these guys, national players would have, broadly, you know, like, maybe...
- Rakhal Gontla:** Yes, I mean, we might come on the same bracket, but you know, what extra discount you offer, what extra service, what extra design is what completely differs. So, because when the sitting comes in, depending on the customer, we try doing the other discounting part, schemes part, and we help them to close the transaction there.
- Gaurav Agrawal:** Got it. Got it. Lastly, sir, if I could, if you can give us store level economics for your silver stores versus the gold stores, which are of 2500 square feet. So, silver store, we are just starting now, we do not have any silver store till date, right? It is the first thing we are doing.
- Rakhal Gontla:** Correct. So, this will be a first thing.
- Gaurav Agrawal:** Okay. Okay. So, what is the economics at the store level, silver versus gold?
- Rakhal Gontla:** Yes. Vittal, you want to just go ahead and pick that.
- Grandhi Vittal:** With reference to silver versus gold, the margins are high at silver jewelry level. Even though the GP around 12% to 13% in case of gold jewelry, it will be around 25% to 30% in case of silver jewellery.
- Gaurav Agrawal:** Okay. And sir, overall, capex like for silver and gold, including inventory, will be how much?
- Grandhi Vittal:** Of course. For gold jewelry, the inventory, sorry. Hello.
- Gaurav Agrawal:** Please carry on. Carry on, sir. Carry on.
- P.R.N.V. Prasada Rao:** Yes. For silver jewellery, the investment will be around 75 kgs per store approximately, and we have taken 2500 silver, I mean, per store. And as far as the gold is concerned, it will be around 35 to 40 based on the location.
- Gaurav Agrawal:** 35 to 40 kgs, you said, right?
- Grandhi Vittal:** Yes. Yes, sir. 35 to 40 kgs.
- Gaurav Agrawal:** Okay. Okay. And sir, EBITDA margin? Gross margin you gave, EBITDA?
- Grandhi Vittal:** They will be translated. Because the interest and all will be as a percentage basis, manpower and all will be the same. But in case of silver jewelry, there will be a higher allocation for the advertisement.
- Gaurav Agrawal:** Right. So, sir, that's what I am trying to understand. EBITDA level, let's say you do INR100 sale for both. At EBITDA level, how much will you come to?
- P.R.N.V. Prasada Rao:** Yes. It will be, when compared to EBITDA level, it will be more than 30% to 40% higher than the gold for the silver jewellery.
- Gaurav Agrawal:** Okay. Okay, sir. Thank you.

**Rakhal Gontla:** Thank you.

**Moderator:** Thank you. The next question comes on the line of Manan Shah from Moneybee Investment Advisors. Please go ahead.

**Manan Shah:** Yes. Hi. Thanks for the follow-up. Sir, can you also share for Vissha, what sort of gross margins do you think we can make and what sort of inventory turns or throughput are you targeting over there?

**Grandhi Vittal:** In terms of Vissha, we can equate with Polki and Polki jewelry, which were at the margin of around 18%.

**Manan Shah:** Okay. So, it will be much higher than what we are doing at the company level?

**Grandhi Vittal:** Yes. Yes. Yes. At regular, I mean, it will be higher than the regular.

**Manan Shah:** And what sort of inventory turns do you think you can achieve in these stores?

**Grandhi Vittal:** We are targeting at 2 players in the coming 2 to 2.5 years.

**Manan Shah:** Okay.

**Grandhi Vittal:** 2x in 2 to 2.5 years.

**Manan Shah:** Yes. Yes.

**Grandhi Vittal:** Initially, we were targeting at 1.5 in the first year of operation.

**Manan Shah:** Understood. Sir, and then on the new stores that we opened, we were targeting to achieve anywhere between INR30 crores to INR40 crores of sales in the first year. So, have we achieved this number on most of these stores or any color you can give on that? And then from here on, once a store matures over a 2 to 3 year period, what sort of sales can these individual stores achieve?

**Grandhi Vittal:** Yes. For a given example, Rajam, which opened at 20th March '24, we already picked up INR45.59 crores for this '25, '24, '25. And another one, which we opened at Palasa, of course, no, no, no. It's only -- that is the full year. And another one is Mancheri, we clocked around INR20 crores for that year.

**Manan Shah:** INR20 crores was for how many months of operation?

**Grandhi Vittal:** 12 months. 12 months. This Mancheri opened in the last leg of March 24, that is Mancheri 24th March and Rajam on 20th March.

**Manan Shah:** Okay. So, you're saying Rajam performed much better than Mancheri?

**Grandhi Vittal:** Yes. Yes.

- Manan Shah:** Okay. And once these stores mature over say 2 to 3 year period, can these stores achieve anywhere between INR60 crores to INR100 crores of sales?
- Grandhi Vittal:** It is very positive and optimistic number, but the sale growth is, it will be carried over in our year around 10%. We cannot achieve, I mean, from INR30 crores to INR40 crores to INR100 crores in a year or two.
- Manan Shah:** No, I'm asking over a 3 to 5 year period, sir.
- Grandhi Vittal:** That's what, that's what I'm saying. See, if you say, if in a year, if I achieve INR40 crores, we may target a 15% growth, but we cannot be in a -- 15% growth means another 40%, 45%. That means 42, it comes to around INR55, INR60, not INR100 crores.
- Manan Shah:** Great. Understood. So then for the coming year, how are the wedding dates and auspicious dates spread out throughout the year? And what's -- what sort of success you are seeing in April? Because I believe April also had a lot of wedding dates. So what has been the traction for April and even May has completed.
- So, and again, you mentioned that you are looking forward to a 10% sort of a growth this year. But I believe just the new stores that you've opened, that itself will give you anywhere between 7% to 10% of growth and whatever SSD or you're not building in any SSD for the current year.
- Grandhi Vittal:** No, no, no. My -- our target is through annualized SSD is 10.5, 9%, 11%. It will be -- we're targeting at a 12% at least because the most of the 6 stores, I mean, out of the 6 stores, 3 stores opened in the March only. That is Palasa followed at 12th March, and Narsipatnam 30th March
- Manan Shah:** Okay.
- Grandhi Vittal:** We're talking about annualized growth only, not, they're not absolute growth.
- Manan Shah:** Okay. Understood. And sir, on the -- for the coming season, how are the wedding dates and the auspicious dates spread out throughout the year? And the traction that you've seen in April/May because I believe April was also a lot of wedding dates were there in April as well.
- Rakhal Gontla:** Well, yes, sir. I mean, definitely, we do have good dates again. And we had like few dates in April. We have like a good dates in the month of August, like July ending, August is again a good 1.5, 2 months, good dates. Again, we have it spread out in somewhere December 15th till Jan. So these 3 blocks is what we are seeing.
- So just, you know, just, we're just hoping the price stays the same, so that we'll be able to get a more better number. So we're just waiting for that environment. That's it. But yes, eventually as the company will be doing good numbers. That's been a target, we'll be performing for sure.
- Manan Shah:** Right. And then are you seeing customers pre-poning their purchases, you know, given the gold price right now is stable so that we can, I mean, they are trying to pre-pone their purchases or are the customers expecting a fall in price and trying to postpone their purchases?

Just some on the -- color on the sentiment, what is the customer sentiment since you must be interacting with them on a daily basis?

**Rakhal Gontla:** So generally, I mean, customers, they want that kind of prediction or that kind of analysis with them because they'll be busy with their own thing. So but only thing is when the time comes when they want to buy in that 1 month or 1.5, 2 months before, or the second thing is depending on their financial, when they will be able to arrange, during that season, they would just take all of it is like too expensive. Probably when it comes to gold price, they'll just wait for some time. Or the second thing is they'll just buy what exactly they require, rather than picking up as a luxury shopping.

**Manan Shah:** Okay, understood. Thanks. I'll get back in the queue.

**Moderator:** Thank you. The next question is from the line of Yash Dantewadia with Dante Equity. Please go ahead.

**Yash Dantewadia:** Yes, hi. You said your silver inventory will be 75 kilos per store or was that number right?

**Rakhal Gontla:** Yes. I mean, the 75 again, if this little larger store will go up to 100. But yes, on an average 75 80 would be ideal.

**Yash Dantewadia:** Yes. And you said 35% to 40% EBITDA margins. Was that right again? And inventory turnover, you're expecting in silver to be 1.2?

**Grandhi Vittal:** No, the margins for the silver jewellery, we said around 25% to 30%.

**Yash Dantewadia:** Okay, 25% to 30%. And in what inventory turnover are you expecting in the silver jewellery stores?

**Grandhi Vittal:** In the initial at 1.5. And we'll scale up in a span of 3 years to 2.5.

**Yash Dantewadia:** Also, I just want to understand from you guys the rationale of getting into silver jewelry. Why have we got into silver jewelry? Is it because gold has become expensive? Or is it because you're expecting silver jewelry to do very, very well? Or you're getting that kind of inquiries on silver jewelry? And also what's the competition landscape of wherever your new silver jewelry shops are coming through, stores are coming through? What is the competition landscape for silver jewelry in that particular area? If you can elaborate on these things.

**Rakhal Gontla:** So, yes when it comes to business point of view, so definitely we have seen a very good response for silver jewelry in past 2, 3 years, where we try tested with few exhibitions and few pieces with our existing showrooms and on. The reason is like, one, definitely, as you mentioned, in the -- as gold prices are going up. So probably the bridal and jewellery or the bride, groom or their parents or the end of the first circle definitely will buy gold.

The second circle who eventually, you know, they don't want to spend for their cousin's wedding, all of them are looking into silver jewelry, because the workmanship and the finishing and all, it will be like exactly like gold jewellery. It will be very even hard to make out for people. So yes, there has been a very steady increase for the demand in silver jewelry.

So we would want to tap those kind of customers who is not -- who are not ready to pick up gold jewelry.

So the existing competitors like, you know, we have, I mean, all most of the players, having their own in-house silver jewelry. So we would want to eventually spread like a good chain of showrooms in Andhra, Telangana, eventually spread that thing to Karnataka. So yes, so we would want to expand in silver jewellery, because there's been a good demand and good enquiries also.

**Yash Dantewadia:** Right. And what about other precious metals, like platinum? What about, because silver and platinum are generally seen, they go together, right? Like, I've seen a lot of platinum selling in silver jewellery stores for high-end customers in silver jewellery stores.

**Rakhal Gontla:** So platinum mixed with silver jewelry will be just 4%-5% just few items. In generally the places where we are in Southern India, the platinum is not, you know, that kind of thing where they need to buy it. They generally prefer silver, but there are only few HNIs where they would want some kind of platinum towards silver, but that ratio would be very less, probably 2%-3%, that's it.

**Yash Dantewadia:** Right. And I don't know if you have repeated already, I'm sorry if you have. But last year, I think we opened 7 stores, right?

**Rakhal Gontla:** 6 showrooms, correct.

**Yash Dantewadia:** 6 showrooms, yes. So from those 6 showrooms, what kind of SSG are we expecting this year?

**Rakhal Gontla:** Vittal has some numbers on that, right?

**Yash Dantewadia:** Based on how the other showrooms have, you know, kind of taken off.

**Grandhi Vittal:** All these 6 showrooms, the turnover -- because last 3 showrooms opened in 9th March, 12th March, 13th March. And even the 3 other showrooms are also 2 are in the third quarter, I mean, fourth quarter.

**Yash Dantewadia:** Right.

**Grandhi Vittal:** So the estimated, I mean, the turnover for this '24, '25 comes to the 6 numbers is INR38 crores only.

**Yash Dantewadia:** Okay.

**Grandhi Vittal:** And the next year, it will be anywhere between, it will add around INR200 crores for the entire IPO store.

**Yash Dantewadia:** Okay. So just repeating what you said, for these 6 stores, last year, the sales was around INR38 crores. This year, you're expecting north of INR200 crores. Is that correct?

**Grandhi Vittal:** Yes. If all IPO stores comes together, it will be INR200 crores, right.

- Yash Dantewadia:** Right. And with your flagship store, Vishakhapatnam flagship store, what kind of same -- what kind of SSG are we expecting there this year?
- Grandhi Vittal:** Rakhal Gontla, can you take this up?
- Rakhal Gontla:** Sorry, can you repeat?
- Yash Dantewadia:** With the flagship store in Vishakhapatnam, what kind of SSG are we expecting there this year?
- Rakhal Gontla:** So the flagship store definitely will be targeting around 6% to 7%.
- Yash Dantewadia:** Right. And also, one last question. I wanted to really understand, you gave in your PPT that the jewellery exchange is, I think, 13% of your sales, right?
- Rakhal Gontla:** Yes. Correct.
- Yash Dantewadia:** Yes. So what kind of margins and how does that work? What kind of margins do we make on that? Is it higher, lower? Let's say, I come and give you a gold chain worth INR1 lakh and I buy something else. So what kind of margins do you guys see on that 13%?
- Rakhal Gontla:** So 13%, you meant to say?
- Yash Dantewadia:** Exchange. The gold jewellery exchange.
- Rakhal Gontla:** Okay.
- Yash Dantewadia:** Yes. What kind of margin do we see on that? I mean, what do we make on that on a gross margin basis?
- Grandhi Vittal:** With reference to buying of the old gold, I mean, it can be replaced with the customer gold. The margins, we are very much transparent. We, eventually, we don't want to make any margin out of that. And even though by operational, the margin will be around 0.25% to 0.3% on the old gold.
- Yash Dantewadia:** Okay. So if I'm understanding this right, on that 13% of that has come because of gold exchange, what was it last year? Last year, what was the percentage of turnover gold exchange? Because I know for a fact gold exchange is doing extremely well now, as gold jewellery prices have gone up. So are we expecting the margins to contract if gold jewellery exchange increases this year?
- Grandhi Vittal:** Yes, please, please carry on, sir.
- Rakhal Gontla:** No, see, on a general basis, generally, see, nowadays, it's because everybody knows gold prices. So it will be very difficult, you know, when the prices suddenly go up, it's very difficult to have some margin there. So customer come, they would want, you know, if they're giving 10 grams, they would want a 10 grams worth of thing. Probably what are the little you make is

whenever there is some kind of extra INR20, INR30 per gram, probably that's where Mr. Vittal garu was addressing is where you can look up to 0.2% or 0.3%.

But not on a macro level where you do this. Probably if we have a separate particular standalone business, that's a different, but on a regular, it's more of a service oriented thing is what we have been looking at it.

**Yash Dantewadia:** Right. But has it gone up year on year? Last year, what was your exchange as a part of your total sale?

**P.R.N.V. Prasada Rao:** Sir, it is last year 10%, sir. And the current year it is 13%. And there is a 30% of marginal increment.

**Yash Dantewadia:** So if this continuously, if this year, if this financial year, it goes up to, let's say 15% to 20%, are we going to see our gross margins come down? Because the sales are going up, but you know, your margins are coming down. Right?

**P.R.N.V. Prasada Rao:** Sir, normally, again, if we buy from customer INR1 lakh old gold, again, that he normally purchases INR2 lakhs to INR3 lakhs.

**Yash Dantewadia:** Oh, okay. That's what I wanted from you. Yes. So that's the average number, right?

**P.R.N.V. Prasada Rao:** Yes. Yes, sir.

**Yash Dantewadia:** Because and what initiatives are we taking to get our customer spending per invoice high? Right now, it's around 97,000. So what are we doing to get this number high? And when you open your silver jewelry stores, are you going to bifurcate these invoice numbers and put it in the PPT? Because then it will be really confusing because the silver jewelry sales will be very low in terms of ticket size. So I just wanted clarity in these two things.

**P.R.N.V. Prasada Rao:** Sir, we hold inventory 5% of the total. Accordingly, we expect also silver at a lower level. Now we are shifting our focus to silver jewellery. So where you can see the real potential in the coming year.

**Yash Dantewadia:** Right. But the invoice value will be very different, right? In silver jewellery, even though the margins are up.

**Rakhal Gontla:** Yes, the value. So when you look at the average value, definitely the value might come down. So we'll try put, you know, giving two different bifurcation for the next PPT, whenever we start this.

**Yash Dantewadia:** Yes. And what initiatives are we taking to increase invoice spending for clients in gold and silver jewellery? That's something I really want to understand from you.

**Rakhal Gontla:** Sorry, what? What?

**Yash Dantewadia:** What initiatives are we taking to increase customer spending per invoice? Right now we are at 97,000, right? Per invoice.

**Rakhal Gontla:** Correct.

**Yash Dantewadia:** What are we doing to get it up?

**Rakhal Gontla:** So, I mean, you meant to say increase in sales is what you're telling?

**Yash Dantewadia:** Yes, increase in sales per customer. Like what are we doing to get more money out of the customer's hand, because obviously gold prices have gone up close to 40% and your invoice growth is much lower than that. So I'm assuming your grommet sale has obviously come down, right, per customer. So what I'm trying to ask you is per customer, how are we planning to increase our invoice value even further?

Because I'm honestly -- that invoice growth that you have has been pretty low compared to other players. If I'm just comparing to other branded players. So I'm just trying to understand what initiatives are we taking to increase the invoice value per customer.

**Rakhal Gontla:** So on a general basis, you know, we try, you know, getting a lot of other customers. We try doing these BTL activities, the door-to-door activities, where we try getting new customers because as you know, like the prices have gone up, the spending of the customer hasn't gone in that range, and what we factor it. So we try getting more number of people and we try, you know, creating more number of invoices for the existing somebody who walks in.

So one other thing, what we are trying to say, like somebody has INR1 lakh budget and the price they've gone up is INR130, INR140, but they have only INR1 lakh. So these are the customers where we want to target and get extra these silver jewelry showrooms rolling out if they can't afford gold, but they just have INR20, INR30. So we would want them, all these things to be shifted into silver jewelry sales.

So, yes, we are trying to use the increase in price and rather than just they walking out without budget, we want to turn all of the structure into silver jewellery showroom.

**Yash Dantewadia:** Understood, understood. Perfect, perfect. Makes complete sense. Thank you so much.

**Rakhal Gontla:** Thank you.

**Moderator:** Thank you. Ladies and gentlemen, due to time constraint, the previous question was the last question. I now hand the conference over to Mr. Rakhal Gontla for closing comments.

**Rakhal Gontla:** So thank you, everyone. Like it has been a great event, as I was mentioning. So as we are very happy that all the shareholders have been there with us for quite some time, we will definitely deliver the best what we can.

And as I mentioned, we are aggressively looking at expansion of silver jewellery, keeping the gold prices high. So we would want to use all the outflow who has like, who can't afford and that kind of customer base, what we identify at least 20%, 30% is what they are looking towards silver jewelry. So we want to en-cash all that in this year.

And simultaneously, as we mentioned, we will be looking at a Vishesha showroom, premium boutique showroom in Visakhapatnam by September. Yes, we will come up with good numbers, good set of numbers every quarter, given a chance. So thank you for being there with us. And we would want to thank our customers and team and the staff who has been of great support. Thank you all.

**Moderator:**

Thank you. On behalf of Manoj Vaibhav Gems N Jewellers Limited, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.