RBZ®
JEWELLERS LTD.

07th November 2026

To,
Department of Corporate Services
BSE Limited,
P J Towers, Dalal Street,
Mumbai - 400 001

Security Code: 544060
Security ID: RBZJEWEL

To,
Listing Department
National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor Plot No. C/1,
G. Block Bandra-Kurla Complex,
Bandra (E), Mumbai - 400 051

Symbol: RBZJEWEL

Dear Sir/Madam

Sub: Earning call Transcript with Analysts and Investors for the Quarter ended as on 30th September 2026.

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find below the link of transcript of conference call arranged by the company for Analysts and Investors on Tuesday, 03rd November 2026 at 16:00 hrs. for discussion on the financial performance of the Company for the quarter ended as on 30th September 2026.

Path: Investor-Earn-Call-Transcript-03.11.2026.pdf

This is for your information and records.

Thank you,

For, RBZ Jewellers Limited

HELI AKASH GARALA

Digitally signed by HELI AKASH GARALA
Date: 2026.11.07 13:21:32 +05'30'

RBZ JEWELLERS LIMITED AHMEDABAD 29705740

Heli Garala
Company Secretary & Compliance Officer
Mem. No: 49256

RBZ Jewellers Limited

Q2FY27 Earnings Conference Call

November 03, 2026

MANAGEMENT: **MR. HARIT ZAVERI – JOINT MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**
MR. HARSHIT GANDHI – INTERNAL FINANCIAL CONTROLLER
MR. BHAVESH SABHNANI – SENIOR MANAGER ACCOUNTS AND FINANCE

MODERATOR: **MS. RHEA DHARIA – EY INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day, and welcome to conference call for discussion on Unaudited Financial Results as on 30th September, 2026, of RBZ Jewellers. 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 * then 0 on your touchtone phone. Please note, this conference is being recorded.

I now hand the conference over to Ms. Rhea Dharia from EY Investor Relations. Thank you, and over to you, ma'am.

Rhea Dharia: Thank you. Good afternoon to all the participants on the call. Welcome to the Q2 and H1 FY27 earnings call of RBZ Jewellers Limited. Before we proceed with the call, let me remind you that the discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties and other factors. It must be viewed in conjunction with our business risks that could cause future results, performance or achievements to differ significantly from what is expressed or implied in such forward-looking statements.

Please note that we have mailed the results and the same is available on the exchange. The investor presentation will be uploaded shortly. In case you have not received the same, you can write to us, and we will be happy to send the same over to you. To take us through the results today and answer your questions, we have the management of RBZ Jewellers represented by Mr. Harit Zaveri, Joint Managing Director and CFO; Mr. Harshit Gandhi, Internal Financial Controller; and Mr. Bhavesh Sabhnani, Senior Manager, Accounts and Finance.

We will start the call with a brief overview of the quarter gone past and then conduct the Q&A session. With that, I hand over the call to the management. Over to you, sir.

Harit Zaveri: Good evening, everyone, and thank you for joining us today for RBZ Jewellers earnings conference call to discuss our performance for second quarter and half yearly results of FY27. On behalf of the management, I extend a warm welcome to all the investors, analysts and stakeholders participating in today's call.

Before I take you through the financials and operational highlights for the quarter, I would like to briefly introduce our company for those who may be engaging with RBZ for the first time. RBZ Jewellers is one of India's leading gold organized manufacturers with a growing presence in retail jewellery segment. Over the years, we have built our business on three enduring pillars: trust, craftsmanship, and design.

These principles have enabled us to forge lasting relationship with our customers, retail partners and stakeholders and continue to shape the way we grow and create long-term value. At the heart of our philosophy is an unwavering commitment to transparency, integrity and strong governance.

This is reflected across the way we conduct our business at our retail business, Harit Zaveri Jewellers. We follow strict zero cash transaction policy, ensuring transparency and traceability across every customer transaction. For us, trust extends well beyond the quality, purity and craftsmanship of our jewellery.

It is equally defined by the integrity of our practices, the professionalism of our conduct and the responsibility with which we build our business. This principle remains fundamental to strengthening our brand, deepening stakeholder relationship and creating sustainable value over the long-term. As a listed company, we recognize that strong governance, transparency and financial discipline are fundamental to building enduring stakeholder trust.

We remain firmly committed to the highest standard of corporate governance, regulatory compliance and ethical business conduct. Our ambition is to get recognized not only as a leading retail jewellery company, but as an institution distinguished by its integrity, transparency and professionally managed operations, creating sustainable value for all stakeholders.

As you are aware, RBZ Jewellers operates a distinctive and diversified business model with a presence across both manufacturing and retail. We cater to leading national jewellery retailers through our Wholesale and Job Work business, while also serving end consumer through our flagship retail brand, Harit Zaveri Jewellers.

This integrated presence provides us with a deeper understanding of evolving consumer preference and market trends, while enabling us to participate in opportunities across multiple segments of the jewellery value chain.

Our manufacturing capability remains a key pillar of our competitive strength. Our state-of-art manufacturing facility is equipped with advanced casting, laser and 3D printed technologies, supported by a team of 200+ professionals and approximately 250 skilled artisans.

By combining modern manufacturing technology with generational craftsmanship, we are able to create jewellery that brings together precision, quality and integrated design. Design is at the heart of our proposition and remains one of the key differentiators. We continue to invest in strengthening our in-house designs and product development

capabilities, allowing us to create distinctive collection that seamlessly blend with traditional artistry and contemporary aesthetics.

This design-led approach enables us to stay relevant to evolving consumer preference, strengthening consumer engagement and reinforce our competitive positioning. Our portfolio spans a wide range of jewellery categories, techniques and price points, addressing requirements across bridal, festive occasions and everyday wear.

We have developed particular expertise and recognition in antique gold bridal jewellery, where our craftsmanship and design capabilities have helped us establish a strong market position. Through Harit Zaveri Jewellers, we complement this strength with comprehensive retail offering across gold, silver, studded and other jewellery categories, encompassing both traditional and contemporary designs.

Looking ahead, retail expansion presents an important pillar of our next phase of growth. We intend to leverage a strong brand equity that Harit Zaveri Jewellers has built in Ahmedabad to progressively deepen our presence across Gujarat. Our focus is to strengthen our footprints within Ahmedabad, including East Ahmedabad, while selectively expanding into attractive markets such as Gandhinagar and Rajkot.

As part of the strategy, we recently expanded our retail footprint with opening a new store in Surat towards the end of September. This marks an important step in taking the Harit Zaveri Jewellers brand beyond our established Ahmedabad market and strengthening our presence across key jewellery consumption centres in Gujarat.

The store was inaugurated in presence of renowned actor Vicky Kaushal, with whom we have had partnered to further strengthen the brand visibility and recall his strength. His strong connect in audience across age groups complements our efforts to build a more contemporary and aspirational identity for Harit Zaveri Jewellers.

While retaining the trust, craftsmanship and heritage that have always been at the core of our brand, together, this initiative are aimed at building a strong consumer franchise and supporting the next phase of growth for our retail business. Our approach to expansion will remain disciplined and measured with a focus on building sustainable store economics, strengthening brand visibility and replicating the consumer trust we have established at our home market.

Over time, we believe this will enable us to build Harit Zaveri Jewellers into a stronger and more scalable retail franchise, complementing our established manufacturing capabilities and creating other meaningful avenues for long-term growth.

Our long-term vision is to build Harit Zaveri Jewellers into a leading and trusted Indian jewellery brand known for distinctive design, superior craftsmanship, transparency and

exceptional customer experience. With our integrated manufacturing capabilities, strong design expertise and expanding retail presence, we believe that we are well positioned to capture the growing shift towards organized jewellery and create sustainable long-term value for our stakeholders.

With that, let me now take you through our financial operations performance for the quarter. We are pleased to report a healthy performance of Q2FY27, delivering a revenue growth in line with the guidance shared in previous quarter. For the quarter under review, we delivered strong revenue growth of 55%YoY to INR 225 crores, reflecting healthy demand and higher jewellery sales.

EBITDA increased 3.5% YoY and INR 29 crores, translating into healthy margins of 13%. PAT stood at INR 16 crores with a margin of 7.3%, lower to 12% YoY. In terms of segmental performance, we witnessed strong growth across all three business during the quarter. Retail grew at 72% YoY to INR148 crores, continuing to be the key driver. Wholesale grew at 31% and Job Work stood at approximately INR3.3 crores, growing at 19%.

Overall, the quarter reflected healthy broad-based growth across our diversified business model. During the quarter, we also strengthened our market presence through active participation in 5 major jewellery exhibition and trade shows in Saurashtra region, North Gujarat, Ahmedabad and key locations. This platform enabled us to showcase our latest collection, deepen engagement in trade partners and enhance our reach among prospective customers.

With that being said, I would like to open the floor for question-and-answer session. Thank you, and over to you.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Shikhar from Vivog Commercial Limited.

Shikhar: I just want to understand the margin drop year-on-year. So how much of it is due to the gold prices which have been dropping recently? And how much is due to the new expenses due to the store opening at the retail side?

Harit Zaveri: So, you are talking about gross margins or EBITDA level margins, just to understand?

Shikhar: Gross margins as well as EBITDA. So gross margins have decreased by, I think, 6%, if I am not wrong, year-on-year. So, have we had some inventory loss also because the gold prices have been on a downtrend?

Harit Zaveri: No,right now have not got any inventory loss. The gross margins have declined. Yes, we had limited gold gain, because this fiscal year we have understood that gold has not

actually appreciated. So, in fact, gold has only got depreciated, but there has been no inventory loss as of now. And on the side of, let's say, EBITDA level or PAT level, because of the Surat store opening which was done in the end of September, now there was an inventory buildup.

So the finance cost has risen from INR2.55 crores to INR5.54 crores. So, this was clearly due to the stock which was held with us. It got a bit delayed and hence, that inventory carrying cost is there, which was there in the interest form. Other than that, the depreciation has also grown by around 2.5x, 3x from INR86 lakhs to INR1.7 crores. And Other Expenses or onetime expenses of promotion have shot up by around INR 5-6 crores..

Hence, you are able to see the cumulative effect of this goes down to the PAT. If you neglect all of this, you will see that in normalcy, company has done good at all levels. Considering the gross margin level, I would want to specify this point and highlight it that the B2B business in which the goal has been shifted from B2B to B2C, and we have got payments to vendors, so a little bit of proportion of that is coming from sale of bullion also. Hence, the margin is lower.

Shikhar: Okay. Got it. So, the INR 5 to INR6 crores was a onetime expense, right?

Harit Zaveri: See, INR5 to INR6 crores is onetime expense, finance cost, carrying cost for around 24th September was a store opening. So 25th September, we got the sales on. So that 2.5 months was actually a carrying cost, we were expecting to have opening a little before. Hence.

Shikhar: Got it. And for the new store how has the response been? So, it's been around, I think, more than 35 days since you have opened the store. So how would you say the feedback or the response has been in these 35 days?

Harit Zaveri: So, we are averaging around INR50 lakh a sale a day. And since it has been a Shraadh period also and then the Navratri period, so cumulative both there has been an upside also and quite muted. So average, it is coming around INR50 lakh a day, more or less, it's an approximate that I am discussing. So it has been a very warm response. In fact, it is very optimistic. The whole team is very optimistic that in the first month this is an average, it seems quite positive.

Moderator: Next question is from the line of from Rishab from Nirmal Bang.

Rishab: So, firstly, congratulations for the result. I wanted to understand what is the volume split between B2B and B2C this quarter?

Harit Zaveri: So Q2, Retail is 96 kg, Wholesale is 47 kg and Job Work is 219 kg, in total it is 363.58Kgs.

Rishab: Got it. And secondly, what is the contribution of Job Work to the PAT in this quarter, if you can specify?

Harit Zaveri: No, we cannot clearly bifurcate that.

Rishab: Okay. Last question. What is the exposure of GML currently?

Harit Zaveri: Currently we are around INR 14 crores, 15 crores is the GML. We are wanting to clearly lift that up. Around 14 kg, 15 kg is right now GML, but we want to lift that up to around 100 kg or so.

Rishab: By this financial year?

Harit Zaveri: By maybe this financial year or one more quarter by Q1 of FY'28.

Rishab: Okay.

Harit Zaveri: Basically within 6 months.

Moderator: Next question is from the line of Yash from Viansh Ventures, please go ahead.

Yash: So, I wanted to get a very specific answer on the new store that has opened. And what I am trying to understand is what exactly are the key metrics that you are measuring internally in terms of the outcomes from the store? And what kind of a breakeven period are we looking at for this? And how does that slowly evolve?

Harit Zaveri: So key metrics would be walk-in, that is footfalls, what footfalls are getting attracted, the conversion ratio, how many footfalls and what amount of percentage conversion thatwe are able to convert whoever are coming. Third with sales, and generally, these three are the matrices. And maybe we generally keep a check and understand how each salesperson also performs so that sometimes training etc is missing to the weaker ones and so that conversion ratio gets dipped. But generally, these are the three matrices, and we want to understand these three metrics better, who are coming to us, who people are getting converted and what amount of sales they are generating, and obviously, the ticket size.

Yash: Okay. And just a follow-up to that. What's the plan of action now with the store expansion thought process? So I understood the metrics that you are now tracking. So if I take that one step forward and I try to understand the achievement time period for this, what kind of an internal timeline have you set to achieve the store level breakeven?

And what happens when we reach that breakeven? Do we plan expansion before that? Or do we plan expansion after that?

Harit Zaveri: Capex we will be breaking even in maximum 1 year, and so so inventory and all plays a huge chunk. So, in large format store, typical inventory size is INR150 crores. So, yes, capex is around, let's say, INR10 crores, INR12 crores, INR15 crores.

Yash: Okay. So when you say capex breakeven, you will include inventory also?

Harit Zaveri: Capex breakeven does not include inventory.

Yash: Okay. And what kind of turns are you expecting from the store?

Harit Zaveri: On the mature store, around 2.5 turns is what we expect. Currently on a TTM level, we should be doing around 1 turn and then it should be 1.75 and then 2.25, something like that, we are understanding. But these are just forward-looking things. So, I think right now what we have got a response is around INR50 lakhs a day average we are taking in the month of October. So that is what we can rely on.

Moderator: Next question is from the line of Sourav from VT Capital Markets Private Limited.

Sourav: So, as the company is increasing fixed towards the B2C business model sir, then what would be your long-term ambition for 2030 in terms of store count?

Harit Zaveri: So by 2030, see, this year we are adding four stores. By next year, there are stores which are lined up. I think we should be one of the leading brands in Gujarat and the outcome as a zonal brand also. So, yes, we are all in for retail expansion.

Sourav: See, I am understanding that you are in a retail expansion, but in your mind sir, what are the number of store count you are going to open by 2030? I am not asking for any guidance, but just your vision, that number of stores you want to see at 2030?

Harit Zaveri: So, I can tell you that, when I'm saying that we want to be the largest, one of the largest in Gujarat and perhaps West also, then our peer store count you can actually measure and you can understand that what is the kind of store that we would be wanting to open. And it should be backed by funding. So currently, you can say that you can expect around three, four store opening every year.

Sourav: Okay. Three, four store every year. Sir, could you help me who is the largest player in Gujarat?

Harit Zaveri: I really do not have the data because right now in retail, there is no listed company, especially in Gujarat. So, I don't have data in the hand for that. But, yes, we think that

there is a lot of white space in Gujarat and we think that on the side of retail, we can really have a good run when it comes to this market.

Sourav: Okay and sir, what will be our margins sustainability in term of EBITDA and in terms of PAT margins which are so impacted?

Harit Zaveri: So see, once there are large format stores in place, then typically, you don't need to. See, this is a period in which we really want to invest in brand because if you want to take a route of franchisee or anything like that, brand becomes very important. Hence, when you are talking about FY '30, or I'm not able to give you a concrete kind of a number because we are figuring out the franchisee route, the brand route and all.

But yes, certainly, there is a lot of discipline and work that we are putting on. Let us understand how we see and as far the store expansion and margin plays are concerned, given that the Job Work and all will remain to this 50% level, the margins are healthy and stable only. It can differ from Q-o-Q, but more or less on an annual level, it will come across same.

Now, once the retail expansion is taken, it will be more from the gross value merchandise, Retail will have better margins than Job Work. But from the overall perspective, there will be a little bit of margin dip because again, service charge if we are merely putting service charge into place, we get a good, healthy margin.

Sourav: So, on a consolidated level, we can sustain 11% to 12% EBITDA margin?

Harit Zaveri: So, a consolidated level, yes, if the services remain same, we can sustain that. We have been sustaining that since now 3 years, right.

Moderator: Next question is from the line of Mihir Desai from Desai Investments.

Mihir Desai: Sir, firstly, I just wanted to understand on a long-term strategy, like how are you planning your business in terms of going into retail or B2B? Is am asking this question because, sir, currently, if I see, the Job Work is on a higher side of our business and I believe that their margins also would be lower than compared to the Retail. So how are you planning in the long-term to take your business?

Harit Zaveri: So in long-term, because in B2C, we see scalability and Job Work and all last year, we did around 550 kg of Job Work. And this year also, we have done a good amount of Job Work, like total 219 kg of Job Work, but we see that there can be a lot of scale achieved in B2C. And the profit is also better in Retail.

So, you can understand the company from the manufacturing to retail side from the segment, but mainly you should focus on the B2C side of the business. That is where the key growth is going to come.

Mihir Desai: Okay and so a follow-up on this is that can you give a road map or thought process of how the management is thinking about panning the company in that shape?

Harit Zaveri: So, it is by expanding our footprints, be it company-owned stores or franchisee stores. We are aggressively doing it in Gujarat and now we would want to go out of Gujarat and do it maybe in other states. But basically, the retail thing will be here.

Mihir Desai: Okay. Understood and so how should we distinguish ourselves from others, so say for currently where the B2C players are there? So, there is a lot of competition and there are too many players. So how do you differentiate yourself, particularly your brand? So how do you look at the company? So just wanted to understand on that.

Harit Zaveri: So, from the tangible and intangible perspective, tangibly when you experience the store visit, you will understand it way better. Many of the investors who may be asking questions have already done a store visit.

And once you see that, when you visit the store, you should feel that yes, tangibly is different and distinctive. And if you do not have the sense of that, then, we can talk 2 other things. But I really believe that you are asking a very relevant question and that store visit for you will be must for actually understanding those perspectives.

Moderator: Next question is from the line of Gaurav Agrawal from Nine One Capital.

Gaurav Agrawal: Congratulations on good results, opening the new showroom. So, Harit bhai just one clarification on the gross margin side, if you were to take one showroom and see on a blended basis, what kind of gross margin do we make, or we expect to make?

Harit Zaveri: So around 14% or so should be the gross margin mix. Now depending on the stores from where the stud ratios are high and sometimes the stud ratios are low. But typically, you can take in the average around 14%-odd.

Gaurav Agrawal: And this 14%, is it like the lower end of it or is it some range, upper end, like any – band you can share like 14% to 16%?

Harit Zaveri: Yes. So you can take the range, but the 14% is being realistic about it. And I think if the studded ratios are higher, then we can go to 16%. But 14% is something that yes, we should be able to. On the manufacturing side, if we put in more of the manufactured products into the thing, then the margin can really go good. So, yes.

Gaurav Agrawal: Correct. And typically for these new showrooms, what is year 1 inventory turnover you are expecting in this case?

Harit Zaveri: So, year one inventory turnover is something around 1-1.2 is what we are anticipating. And by the end of 3 years, it should be 2 to 2.5 turns and that should place our store anywhere in the top three or four stores in the city that we are entering.

And we are seeing the same kind of response at the Surat store as well, clocking the turn off around INR15 crores or so in the first month itself is quite strong. Now this is excluding the bullion and the jewellery, the bullion, the coin sale. This is purely the jewellery sales that I'm talking about, clocking INR50 lakh. So that seems to be very encouraging.

Gaurav Agrawal: And it might be a bit early to ask this, but in the Navratra season, how was the experience in Surat versus your already established Ahmedabad store?

Harit Zaveri: The walk-ins were quite encouraging and even in Surat now because it's the first store and there is no legacy or something like that. We have had a little bit of challenges facing the conversion. But the experience has been very warm. The consumer understands. When the customer enters the store, there is a clear, distinct brand identity that we have built. Hence, the confidence is high.

The average ticket size is also good. We are having around INR3.5 lakh to INR4 lakh of average ticket size. So overall, the experience has been very nice. See, with no discount, no bargain and no advertising of any tricks, we are able to clock INR50 lakh is a good sale, that is what we internally discuss.

Gaurav Agrawal: Yes, you are saying INR50 lakh right?

Harit Zaveri: INR50 lakhs.

Gaurav Agrawal: Correct, sir. That's very helpful. If I can add in, this is a great start to our expansion journey, our best usage for this and expansion.

Moderator: Next question is from the line of Moksh from Aurum Edge.

Moksh: Sir, you mentioned in the opening remarks that your margins were a bit lower due to basically a little bit inventory losses, so could you quantify that?

Harit Zaveri: So there is no inventory loss. What I have specifically said is that there is no inventory gain, not much of inventory gain And I have also specified the other thing is there is a good amount of bullion sales. That is because of the shift.

So when we do retail, we tend to buy a lot of goods from other vendors. When we need to pay to them, we pay via gold that we have. Let's say, 10 kg has been bought, so let's say, I can pay 8 kg by gold. Why I do that is because I have transferred stock from B2B to B2C. So, you know, there is an excess stock in B2B, I have transferred in B2C and pay to my vendors and I'm opening a store, that is how the capital allocation has gone.

And hence, you are able to see that there is zero amount of profit in this bullion and all. So, hence, the gross margins have got an effect of drop over there.

Moksh: Okay and considering the increasing stores, the more number of stores we are planning to add, we expect our gross margins to essentially increase, right?

Harit Zaveri: No, gross margin if the studded ratio increases, the gross margin will increase in the retail segment, yes.

Moderator: Next question is from the line of Saurabh from FYERS Asset Management.

Saurabh: Two questions from my end. One is on the retail revenues for the quarter. I just want to understand what is causing the sharp uptick in these numbers? Because Surat came in at the very end of the quarter. So that is question one.

And second is, can you tell us a little bit about what kind of branding, marketing expenses you are budgeting on an ongoing basis for the next 1 or 2 years as the new stores come online?

Harit Zaveri: So we are expecting around INR20 crores to INR25 crores of marketing as an expense because of new stores rollouts and if there is a typical large format store, we would really have to have a celebrity for a store launch, that hoarding etc will be there, ATL and BTL activities.

So yes, you can say that INR20 crores, INR25 crores is at least this year plan. On the higher side, basically INR25 crores or so and because there will be store openings and all going onand now about uptake, yes, the brand is actually becoming more stronger, and we are able to see that the same-store sales growth is also quite promising.

But again as a result, for the first half of the year, right? The second half of the year is still pending. So we would see and understand it from the whole year perspective. See, this Ahmedabad store we have been handling and now that has been of course going good YoY. But what we are really excited about is the Surat store.

That is doing good. That should go well and that part is very exciting. It is already doing somewhere around half of what Ahmedabad store is doing. So on a yearly basis.

Saurabh: Okay. So the entire uptick for the quarter is coming from the first from the Ahmedabad showroom.

Harit Zaveri: Yes, from Ahmedabad store, but a good amount of that is bullion also. So that we have to pay to the vendors and we have taken the matter from B2B of our side and then we have paid the B2C part. So when the payment has also gone bullion sales and that is why you are able to see that margin shrinkage is there. So we can neutralize that part. But there's a very healthy same-store sales growth.

Saurabh Dhole: Roughly, would you mind disclosing the figure? Any rough figure?

Harit Zaveri: Currently, I do not have exact figure in hand, and hence, I am not able to disclose that. But what we see is that the first half of retail has been pretty strong, like very, very strong, hence this figures, but the bullion sale has also played its part.

Moderator: Next question is from the line of Rishab from Nirmal Bang.

Rishab: So I wanted to understand particularly for the Surat store, because we have a separate floor for the lightweight or the low-carat segment, so is that segment also doing good in Surat or is it just the festive sales that is driving the Surat sales currently?

Harit Zaveri: So occasion wear and daily wear, both are doing good in Surat as of now. Occasion wear is surely a leader but in daily wear, we are getting a good demand from even studded jewellery part. So, yes, I think the overall store is doing nice in both the segments.

Rishab: Okay and how is the progress going on for the future 2 stores, that are Rajkot and Jamnagar?

Harit Zaveri: So, Rajkot is pretty much we are launching in the third or the fourth week of November, that is November 21 to November 25, somewhere in that range. But surely, we will be concluding in that because store handover will happen in more or less more another 6, 7 days and then the Diwali days comes, the off days and all. So we are all prepared to launch Rajkot as soon as we can, basically from November, you can say 21st to 25th.

Rishab: And Jamnagar?

Harit Zaveri: And Maninagar and Gandhinagar will be in the month of December and January.

Rishab: Okay. So are we in any agreement with any celebrity or so for that Rajkot opening?

Harit Zaveri: Currently I think we are in talk with few, but let us finalize and freeze it to one.

Rishab: Okay. And just wanted to understand more, wanted to get more clarity on the bullion part that you said, that you just moved from B2B to B2C. So can you just give more clarity on that side?

Harit Zaveri: See, there is a bullion sale. Retail has done extremely well among all the 3 things, be it Wholesale, Job work or the third segment retail. Retail has been the leader in terms of driver and the upside. But surely bullion sale when I say it has its part, that means that the gross margin has gone down.

And one of the reasons the gross margin has gone down is because the bullion sale is high. And obviously, there is very, very negligible amount of inventory gain because the gold prices have dipped..

So currently, what we are understanding is there is a part of bullion sale which is there because it has shifted from manufacturing to retail, and we have done payments via bullion. But that does not take away that retail has performed in any way, which is less than the average.

It has outperformed at least the Wholesale numbers. Wholesale numbers are 31%. So retail segment has performed at least more than, I don't want to quote a percentage, but it has performed very nicely. I don't have numbers in hand, hence I'm not able to quote the bullion sales.

Moderator: Next question is from the line of Umang, an individual investor.

Umang: Congratulations on a good set of numbers. My first question is on GML loans. GML loans are merely 6% to 6.5% of total borrowings. As you indicated, is management facing any challenge for obtaining this facility? Because I want to know on perspective of interest cost, because GML loans, as per economics, it will be beneficial for the company in saving interest costs. Can you just guide me or any comment on that?

Harshit Gandhi: So yes, you rightly mentioned that from the finance cost perspective, the GML is also one of the effective tool and also from hedging perspective, it is also an effective tool. So yes, we are evaluating that and gradually, we are in the favor of increasing this proportion wherein we can utilize the benefits of not only the finance cost, but also as a part of the hedging tool.

Umang: So actually, one follow-up question only on that. As management indicated, we are planning 4 new stores, there will be a lot of requirement of inventory. And yes, it is a commendable thing that receivables are converting in cash, but simultaneously, we are increasing in inventory also. So in future or in coming time, we will be having a requirement of capital, right? So are we still relied on cash credit facility and you now

indicated that GML we are exploring. So will the proportion of GML will be increasing from here sir?

Harshit Gandhi: So basically GML is nothing but a part of the working capital. So in a way of working capital, we are evaluating from the lenders itself to give us a measure in form of the GML. Yes, of course, the certain limits are in form of CC limits. So not all the lenders say that they are offering the GML as a product, but those who are giving, we are gaining on the higher side in form of GML limits.

Umang: So any guidance regarding how much will be in terms of total borrowings GML component?

Harshit Gandhi: So for the example, as against our total borrowings, let's say it is for example, near 2% to 3%, so we are evaluating that considering the scenario of the gold price, how we can increase it and how we can take the benefit. So it will be evaluated on a month-on-month basis. And eventually, you can see in our books also in upcoming quarters.

Umang: The purpose was only for asking if we increase that component, it will be really beneficial for shareholders on a return on capital basis.

Moderator: Next question is from the line of Isha Shah, an Individual Investor.

Isha Shah: Sir, what gives you confidence that RBZ success in Ahmedabad market can be replicated in new cities? And what are the early learnings that you are seeing from Surat?

Harit Zaveri: So I think the demographic remains same. We have understood the market very, very rigorously. RBZ has an experience of dealing in wholesale and manufacturing jewellery for now about 20 years. We deal in jewellery in 72 cities, in 300 mom-and-pop stores and with almost all the major corporates. We understand merchandise of each region very, very deeply.

Please do not see the company that it is just a new company entering into a market. We have had a lot of backup of 20 years that we understand jewellery and its regional choices. Hence, when we enter a city, be it Surat or so, we are able to see very fast response. I hope the same will go in Rajkot also.

Isha Shah: And how do you see sharp movements in gold prices affect customer demand volumes, ticket size and margins?

Harit Zaveri: I think now the gold jewellery buyers are also very much aligned to how this gold volatility is. When there is too much of spike or there is too much of lows, people generally do not come to a decision-making. They generally hold.

And we have been seeing this quite often. I think the behavior gets normalized within 1 week or so. With respect to margins, I do not want to comment anything because it is too short-term. Normalized margins, you can actually see in the financial figures already.

Moderator: Next question is from the line of Deepesh from Maanya Finance.

Deepesh: Just wanted to understand what is the time line for the launch of the Rajkot showroom?

Harit Zaveri: November 21 to November 25 is the timeline for launch of Rajkot store. And Maninagar, we are hoping in December and Gandhinagar in January.

Deepesh Sancheti: Okay. And you had mentioned that or it was your plan that you're going to convert most of your inventory into gold loan. Is that correct?

Harit Zaveri: Correct

Deepesh: Have we done this in this quarter anything, or for this year, at least for FY27, do we have anything in mind?

Harit Zaveri: So till FY27 or within next 2 quarters, that is within next 6 months, let's say by the end of, next year Q1 earnings call, we should be able to at least do INR100 crores to INR150 crores of minimum GML. That means 100 kg plus of GML will be there. Within maximum of the period of 2, 2.5 years, company's inventory should be hedged and that is in clear minds. We have no 2 ways about it now.

Deepesh: So, the money which will be coming from the inventory sale will be going into debt reduction or further expansion?

Harit Zaveri: No, it will be money which will be coming in, it will be actually going into payment of GML and then taking the GML again. It's just going to be a cycle. Inventory levels are not going to be low in any case. In fact, we will have an opportunity to take more debt because of the lower interest rate that we'll be having. GML generally is typically 3.5%, 4% and CC is 9%. So we can actually gear up with one more time of debt. So 2:1 can be the debt ratio in this case, which will have us more stores in place.

Deepesh: Right. So I mean, definitely, that will help the ROE a lot. But just wanted to understand, if we are reducing our inventory, then a lot of money comes in because I'm sure that you had planned this when the gold was at INR1,60,000, I mean, and it has come down significantly.

So you had that vision. So just want to understand that if you are reducing the inventory, that money would significantly come into the books, right? And that money

will be only for GML increase? So you're going to increase your inventory from here maybe to 2x? Is that right understanding?

Harit Zaveri: I think yes, that's the right understanding. First, the inventory increase will happen. But I don't get your first part. When you say that there will be an inventory decrease, do you mean to say in the manufacturing line or in the B2B segment or do you mean to say into a particular store? I don't understand that part. But overall, when you say that there will be a double inventory...

Deepesh: The unhedged inventory would go...

Harit Zaveri: Correct. Unhedged inventory in next 2 years will be down to 0, or more or less a very low part of it. And unhedged inventory in the percentage from every year will continuously go to lower levels.

Deepesh: Okay. And if you can also give the outlook for gold prices because I mean, you had been right at the last quarter. So I just want to understand your outlook for gold prices? And because of that, is that the reason you are doing this, completely moving to hedged inventory?

Harit Zaveri: No. Frankly saying, hedging will be the right practice to do because we have high predictability in terms of P&L financials. Unhedged inventory, there is no problem with unhedged inventory when you don't want to predict profits, but in a long-term way, both of them gels well together.

See, gold as a commodity moves at around 13% per annum, but it gets dissected into 3 segments: custom duty, dollar appreciation, and gold as a commodity. Gold as a commodity on a long-term level moves around 7%, custom duty may be at around 6% to 15% it floats and dollar appreciates around 6%.

So, and the GML, we only hedge gold as a commodity. So and we get a benefit of loss of 7% and a benefit of 5%. So it's a good trade-off. And it gives predictability. I don't think there's any issue with GML.

Perhaps we can get more visibility of stores because we can have the same amount of interest payout, we can have double the amount of working capital with us. I think that is more better on the sides of store expansion etc.

Deepesh: Right I mean going the Titan model, that will be great for the shareholder return. Also, just one question. What is the focus of the company right now? Is it more on the retail side or how are we going to do our B2B? Are we going to maintain it or slowly we are going to reduce the focus or what is the outlook of the company?

Harit Zaveri: So, B2B will remain stable. There will be no signs of decline if you understand from the gross value of merchandise. But B2C is where you will see a primary kick in will happen, the growth will happen.

Moderator: Next question is from the line of Ruchit Shah, an Individual Investor.

Ruchit Shah: Harit, sir, congratulations for the retail ramp up. I had a couple of questions. So first of all just clarify about the wholesale and job work business we should be looking from the quantity, like the volume perspective, right, rather than the GMV that was just mentioned?

Harit Zaveri: No, GMV will be the right way to look at business.

Ruchit Shah: For Job Work as well?

Harit Zaveri: In fact, with Job Work, it becomes more relevant. See, when you don't take GMV into the picture, the best will be the volume data, right? But that will be a second option. GMV anyways will be the number 1 option;gross value merchandise is the right option to look at the business.

Ruchit Shah: Okay.

Harit Zaveri: And in gross value merchandise also being very clear, job work will have less margins, wholesale will have better margins than job work and retail will have the best margins among all the 3 together.

Ruchit Shah: Yes, Harit bhai. So the question was because there was a slight dip in the volume in terms of Kgs with respect to job work and wholesale, so I was just looking to check, has there been any increase or scarcity or something?

Harit Zaveri: Nothing because of that. It is just a shift of season from September 22 to October 11, Navratri has got shifted 20 days. And hence, you are not able to get that figures on hold. When we see October, it is in complete normalcy.

Ruchit Shah: Okay. But usually, Job Work would be in advance, right?

Harit Zaveri: Correct. In advance, but they also want to have their things built up during Diwali, right, during Navratra. So Navratra getting postponed means our deliveries will also get shifted a bit. Now when I say that 363 is the total volume and 219 contributes to job work, in October month last year, let's say just to give an example, October last month last year, it will be around, let's say, 50 kgs. So this year it will be around 100 kgs, just because of the shift in that.

Last year, you don't expect October to be much higher because Navratri was in September 22 and people would want to have orders fulfilled before Navratri or before 1 day of Navratri or whatsoever, the dispatchment can happen. Similarly, in wholesale right now, October has been Navratri. So we see that deliveries are getting finished in the month of Navratri itself. So just a little bit of shift is there. Hence, you are seeing that little dip in the volumes.

Other than that, the business is at complete normalcy when you check the October numbers. I think best will be Q3. Q3 will give you much better clarity where this is heading. Again, in the gross value of merchandise, if you calculate last year first half versus this year first half, the GMV will surely increase.

Ruchit Shah: Understood, Harit bhai. A couple of other questions was, firstly, broadly looking at Retail. So, we have had 1 week at the Surat store and considering the average realizations of INR50 lakhs that have been mentioned and taking like those would be the normal realizations during that week also, so broadly it would likely have done like 2 kg in the store and excluding that, we would get like 95 kg as the retail volume. So that would be directly comparable to the 80 kg of last year. Is that broadly right? Of course there might be some variation in the numbers, but smaller.

Harit Zaveri: No, I'm sorry, can you repeat that part again? I'm sorry, I just missed maybe a bit.

Ruchit Shah: Okay. So for Retail,last year we had 80 kg and this year it is 96.7 kg. So broadly it seems like 1 week of Surat would have done 2 kg considering your normal realizations that you have mentioned. So broadly the same store sales growth could be from 80 to 95. Would that be comparable right?

Harit Zaveri: Correct, it is comparable.

Ruchit Shah: Okay and the last bit was, Rajkot, I understood that we were earlier looking at Navratri, but it had been delayed to Diwali. So now we'll likely mean Diwali again?

Harit Zaveri: Correct, correct.

Ruchit Shah: That's a little bit like -- has there been any specific concern or?

Harit Zaveri: No, specific concern. It is actually, these are large format stores, and we wanted to be in October 24 types because at least we would not miss a season. But fine, now we are missing that season. But still the encouraging part is that Surat is doing pretty well, in fact, very, very nicely. We have got a very warm response.

And also this whole model of showroom is getting changed, right? The whole experience of the customer is getting changed when they are coming to a new store

now, especially the store that we have made. I don't know whether you have come to Surat.

Ruchit Shah: I did. I did.

Harit Zaveri: Great.

Ruchit Shah: I was there and it was a very nice experience, yes.

Harit Zaveri: Yes. So that is it. Hence, the Rajkot is actually a couple of thousand square feet more than Surat, and it's a 3-storey store. So it's taking a bit time. They had committed us to open the store on November 1, but then we thought that November 1 would not make sense. Hence, we can do it maybe in the third week of November. That is what the plan is. But yes, we missed that Diwali part.

Ruchit Shah: Okay, Harit bhai. Best of luck for the store opening and looking forward to more updates.

Moderator: That was the last question for today. I now hand the conference over to the management for closing comments.

Harit Zaveri: Thank you, everyone, for the questions and interest that you have shown. In any case, if you have more queries, you can connect to EY, our Investor Relations Partner and thank you again to EY for conducting this call and Chorus. Thank you all.

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