

November 03, 2025

To,  
Manager-Listing Compliance,  
National Stock Exchange of India Limited, Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra East,  
Mumbai – 400051  
Symbol: UTSSAV

**Subject: Transcript of Earnings Conference Call — H1 FY26.**

Pursuant to Regulation 30(6) read with point 15(b) of Para A Part A of Schedule III of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, please find enclosed herewith transcript of the earnings conference call of the Company held on October 31, 2025 to discuss H1 FY26 results.

Kindly take the same on record.

For & on behalf of  
**Utssav CZ Gold Jewels Limited**

Pankajkumar Jagawat  
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Pankajkumar  
Hastimal Jagawat  
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**Pankajkumar Jagawat**  
**Managing Director**  
**DIN- 01843846**



**Utssav CZ Gold Jewels Ltd.**

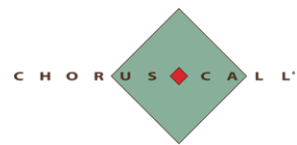
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CIN-L36911MH2007PLC175758



**“Utssav CZ Gold Jewels Limited  
H1 FY26 Results Conference Call”**

**October 31, 2025**



**MANAGEMENT: MR. PANKAJ JAGAWAT – MANAGING DIRECTOR –  
UTSSAV CZ GOLD JEWELS LIMITED  
MR. HARPREET GULERIA – CHIEF EXECUTIVE  
OFFICER – UTSSAV CZ GOLD JEWELS LIMITED**

**MODERATOR: MR. HARSHIL GHANSHYANI – KIRIN ADVISORS**

**Moderator:** Ladies and gentlemen, good day and welcome to H1 FY26 Results Conference Call of Utssav CZ Gold Jewels Limited. As a reminder, all participants' 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 this conference call, please signal an operator by pressing star, then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Harshil. Thank you and over to you.

**Harshil Ghanshyani:** Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Utssav CZ Gold Jewels Limited. From the management team, we have Mr. Pankaj Jagawat, Managing Director, Mr. Harpreet Guleria, Chief Executive Officer.

Now, I hand over the call to Mr. Pankaj Jagawat. Over to you, sir.

**Pankaj Jagawat:** Good afternoon, everyone. And thank you for joining us today. I am pleased to share an update on our performance, key business development, and growth outlook. At Utssav CZ Gold Jewels Limited, headquartered in Mumbai, we are proud to be among India's leading manufacturers of gold CZ and diamond jewelry, established in 2007. We have built a reputation on excellence in design, precision in manufacturing, and reliability in service.

We design, manufacture, and wholesale an extensive range of 18 , 20 , and 22-carat CZ gold jewels and rose gold jewelry, including rings, earrings, pendants, bracelets, necklaces, and watches. All over the years, we have evolved into a trusted B2B partner for leading jewelry retailers across 23 states and two Union Territories, with a growing export presence in the UAE.

Our fully integrated manufacturing setup covers the entire value chain from CAD design to hallmarking and consistency and quality at every step, at every stage, backed by a team of over 50 skilled professionals and a designer library of more than 70 creations. We continue to deliver innovation with speed of accuracy. Our installed capacity has grown from 750 kg in FY22 to 1.5 to 1.6 tons in FY25.

Since our listing on NSE emerged in August 2020, we have seen strong momentum through design-led growth, operational efficiency, and disciplined execution. The momentum built in FY25 has carried forward strongly into the current fiscal after almost doubling our revenue from INR340 crores in FY24 to INR648 crores in FY25. We have achieved another milestone of revenue growth in the first half of FY26, supported by strong volume growth.

So, for the half year ended September 30, 2025, we reported total income of INR477 crore, a growth of 67% year-on-year. Our EBITDA increased by 184% to INR45 crores, with margin improving by 388 basis points to 9.45% profit after tax, rose 197% to INR29 crores, with margin improving by 271 basis points to 6.17, while EPS grew 124% to INR12.09 per share. This result reflects our continued focus on profitability growth, though improved product makes stronger operating leverage and tight cost control.

With trajectory, we are confident of closing the year in the range of INR1,100 crores to INR1,200 crores, making yet another year of strong growth and scale. The performance underscores the

strength of our customer's relationship to success of our diversification strategy and our ability to execute consistently even in a competitive environment.

During the first half, we continued to enhance our manufacturing efficiency and design capabilities while expanding our product portfolio, our strategic diversification into plain gold casting, natural diamond, and lab-grown diamond jewellery, has further strengthened our value proposition. The early response from our clients to our diamond jewellery range has been extremely encouraging and reinforcers are confident in this segment.

Looking ahead, we aim to sustain the revenue growth momentum, upgrading our technology and R&D infrastructure and deepening our engagement with leading retailers across tier 2-3 cities. On the global front, we are targeting to expand into UAE, GCC, Singapore and USA.

With a strong financial foundation and expanding product portfolio and a clear roadmap for scalability, we remain confident of sustaining this growth journey and delivering a long-term value for all our stakeholders.

Thank you and with that, I would now like to open the floor for questions.

**Moderator:**

Thank you very much. We will now begin the question and answer session. The first question is from the line of Agastya Dave from CAO Capital. Please go ahead.

**Agastya Dave:**

Thank you very much, sir. And thank you very much for conducting the call. Mr. Pankaj, we had a small complaint with you. We have been listed for one year and we didn't do even a single call. So, while I appreciate that you have done this, I also have a small complaint that the previous year did not see any calls.

So, please, sir, this is a very good initiative. Please continue it. And if possible, sir, do quarterly results. Six months is too large a gap for us to track the company. There are so many things which are happening in the company and it becomes very difficult. I got only one opportunity that was during the AGM and even in that I didn't get the opportunity to speak. So, it's a small request, sir. Kindly take it into consideration. But I really appreciate that you are doing the call this time. And congratulations on excellent performance, sir.

I have two questions. One is on the margins, we have seen a very large jump in the margins at the gross profit level and also at the EBITDA level. So, can you go into certain details as to what led to such large jumps? Is there an element of inventory gain here? But my guess is that that will be passed on to your customers. So, what exactly has led to margins improving so much?

And the second question is on the capex that you are doing and the expansion to 2.5 tons. So, what was the capacity utilization in the first half? And what is the progress on the capex? By when do you expect 2.5 ton capacity to get commissioned? And when will we see commercial revenues from that new expansion? And sir, finally, if you can also share the volume numbers for the first half, how much have we done? That would also answer a lot of underlying questions.

**Pankaj Jagawat:**

So, 67% was our usable capacity. And our margin has partially increased by 0.5% to 1% by gold price. And otherwise, we maintain a business margin from 4.5% to 5%.

**Agastya Dave:** This is at which level, sir? When you are saying 4.5% to 5%, you are talking about the PAT level or you are saying EBITDA level?

**Pankaj Jagawat:** PAT level.

**Agastya Dave:** So, is this sustainable, sir? So, if I look at the EBITDA, sir, EBITDA, this first half was 9.3%. You are saying 0.5% is coming from gold. So, if I remove that, do you expect this 8.8%, 9% kind of EBITDA levels to continue going forward?

**Pankaj Jagawat:** Yes, 1% is at gold level. And PAT level, I mean to say. And now we have started real diamond jewelry also. So, we hope our business, profit is going to increase by 4.5% to 5%. It can go above that also.

**Agastya Dave:** Sir, can you tell us about EBITDA level? It is a standard form, so it will be easier to understand. What is our target? What is our benchmark, sir? With the current portfolio, how much EBITDA can we do on a sustained basis? And then with diamond, what are the additions?

**Pankaj Jagawat:** So, 9% to 10% should be EBITDA sustainable.

**Agastya Dave:** Okay, excellent, sir. Sir, what is the reason for this jump that we have seen? Because it was 6.5% and it has become 9.3%. You are saying 1% is gold, so it becomes 8.3%. So, still there is a 200% improvement in EBITDA. So, what exactly led to this?

**Pankaj Jagawat:** So, we earn as a percentage on gold jewelry. We don't sell at a fixed level. Like the price of gold keeps increasing, we charge percentage on top of it.

**Agastya Dave:** Okay, so this used to be 6.5% till last year. And it has become, let's say, 8.3%.

**Pankaj Jagawat:** We started designer jewelry also and we started watches and all also. So, their margins are very high.

**Agastya Dave:** Excellent, sir. And my other question is on the capex, sir. When will we see expansion till 2.5%, sir? And when will we see our commercial sales from the expanded capacity?

**Pankaj Jagawat:** Maybe one year.

**Agastya Dave:** Another year, sir.

**Pankaj Jagawat:** I didn't get your question.

**Agastya Dave:** You are expanding from 1.5% to 2.5%.

**Pankaj Jagawat:** Yes. So, that is in a month's time.

**Agastya Dave:** In a month's time. So, sir, its commercial operations will start within a month. So, we will see it in H2 then.

**Pankaj Jagawat:** Yes.

**Agastya Dave:** The numbers will start coming in the second half also.

**Pankaj Jagawat:** Yes, they will.

**Agastya Dave:** Let's hold it for next year. Yes. And sir, how fast will this ramp up be? Can we see it at a reasonably high capacity, next year? This new capacity also.

**Pankaj Jagawat:** Yes.

**Agastya Dave:** Okay, excellent, sir. Pankaj ji, again, sir, I will repeat my request. Sir, if we can conduct quarterly results, it will be great, sir.

**Pankaj Jagawat:** Yes, we are planning for quarterly results after this.

**Agastya Dave:** Thank you very much, sir. And sir, please continue to do con calls, sir.

**Pankaj Jagawat:** Sure, sure.

**Agastya Dave:** Our interactions with you will be better. So, thank you very much, sir. I will go back in the queue. I may have a few other questions. But thank you so much, sir. Thank you.

**Moderator:** Thank you. The next question comes from the line of Kushal from Inwed Research. Please go ahead.

**Kushal:** Hi, sir. Thank you for the opportunity. I am actually new to your company, sir. So, can you give a little background? How much is the mix of our total, in our total sales? How much is B2B? How much is B2C? I assume mostly it is B2B. Second, who are our customers? Who are the end customers? And can you tell us the mix of the channel?

**Pankaj Jagawat:** So, Yes, we are completely into B2B. We don't do B2C at all. And our clients are like Kalyan Jewelers, Lalita Jewelry, and a lot of customers in South, North, and all the places, Yes.

**Kushal:** So, sir, the capacity that you are increasing, are your clients giving you confidence that they will intake more in terms of wallet share? Are you gaining wallet share for these clients?

**Pankaj Jagawat:** Yes, the demand was much because we have improved on 25% of our sales also in terms of kgs. This six months. Like earlier, whatever the share in kgs it was, 25% it has gone up. And expansion is, well, means capacity, Yes, we've increased because the demand is very good in our jewelry.

**Kushal:** And, sir, do we do lightweight jewelry or even the main heavyweight jewelry?

**Pankaj Jagawat:** We are more into lightweight jewelry and all, Yes. And margins are very good there.

**Kushal:** Okay. Sir, the other peers, like Sky Gold and all, they are at a much lower EBITDA margin level. So, why is it that, that we have such a high margin versus them?

**Pankaj Jagawat:** Basically, they do normal jewelry, we do designer jewelry.

- Kushal:** Understood, understood. Sir, my last question is, how do we look at your company, let's say, three years, five years down the lane? What is your aspiration, I mean, in terms of growth or in terms of total sales of the company? Where can we look?
- Pankaj Jagawat:** So, FY 2030, we look around INR4,000 to INR5,000 crores.
- Kushal:** Okay, with same margins?
- Pankaj Jagawat:** Yes, Yes, with same margins. Or maybe a better margin if, because we recently started Real Diamonds. As their sales will increase and percentage starts growing in our company, so margins might improve.
- Kushal:** Sir, one last thing I was asking, you have a little more debtor days versus some of the other peers. So, any reason, I mean, some other peers report like 30-40 days. We currently have 60 days. So, is that a strategic reason and maybe that also contributes to our margins also?
- Pankaj Jagawat:** See, our margins are higher. So, we give that but leverage to our customers.
- Kushal:** Okay. Thank you.
- Moderator:** Thank you. The next question comes from the line of Keshav from Kankala Capital Advisors. Please go ahead.
- Keshav:** Firstly, congratulations, Pankaj, for the blockbuster set of numbers. Right. So, the kind of aggressive path we are looking for growth. So, what kind of working capital requirements do we have and how are we going to fulfill that? Are you looking for any fundraise, anything in the future?
- Pankaj Jagawat:** See, as and when we require, we will keep increasing our recommendations. We will take money from the banks and all.
- Keshav:** Okay. Thank you, sir.
- Moderator:** Thank you. The next question comes from the line of Divya Daga from Vijay SPL. Please go ahead.
- Divya Daga:** Hi, sir. Congratulations, sir, for such great numbers. I have two questions. First question is, can you provide the breakup of inventory based on gold, non-gold jewelries? And my second question is, can you provide the amount of revenue we got from non-gold jewelries?
- Pankaj Jagawat:** Basically, we have complete gold jewellery only.
- Divya Daga:** What about the diamond?
- Pankaj Jagawat:** Diamond, Yes, we've recently started. So, like around 2% from the complete stock is real diamond stock.
- Divya Daga:** Are we outsourcing it from someone else? Did we have done tie-ups or something like that?

**Pankaj Jagawat:** Diamond, we outsource it, but jewellery, we make it in-house.

**Divya Daga:** Okay. So, for that, we have done some tie-up or collaboration with some brand for diamond?

**Pankaj Jagawat:** No, we have not done any collaboration with brand, but we've seen a demand like when we've given our jewellery to Lalithaa Jewellery, Kalyan Jewellers. So, Yes.

**Divya Daga:** Okay. So, just one more question. As I can see, we have unsecured loan of INR6.2 crores in our balance sheet. Am I right?

**Pankaj Jagawat:** No, there is no unsecured loan.

**Divya Daga:** Okay, then that's all. Thank you, sir.

**Moderator:** Thank you. The next question comes from the line of Prabal from SM Holdings. Please go ahead.

**Prabal:** Sir, I just wanted to understand like your, first is how you procure your gold, like. Do you procure it via loan GML or something? And once you've procured your gold, so now that fits in your inventory. So, is your inventory hedged or not? If it's hedged, how much is hedged and what kind of hedging do you do?

**Pankaj Jagawat:** We do one. We procure our gold either from the bank or from the bullion merchant. And hedging, we do a natural hedging. Whatever jewellery we sell, we buy it on the same day. As soon as the rate with the customer is fixed, example Joyalukkas has purchased a jewellery from me. For example, I would say. For example, I would say at INR1 lakh per 10 grams. So, immediately we buy from the bullion or bank. We hedge it over there. Immediately we buy it. So, it's a natural hedging.

**Prabal:** So, on a net-net basis, you are 100% hedged?

**Pankaj Jagawat:** On net-net basis, Yes. On transactions.

**Prabal:** On transactions. So, essentially, your business...

**Pankaj Jagawat:** If I sell 5 kg gold today, on that same price we purchase 5 kg gold.

**Prabal:** Correct. So, how are the margins getting affected due to gold price?

**Pankaj Jagawat:** Largely, percentage-wise, margins are impacted.

**Prabal:** Yes, exactly. So, sir, how is that happening? Because if we sell on net-net basis... You can explain to me what happens.

**Pankaj Jagawat:** See, we don't hedge our stock which is lying with us. Whatever we sell, we buy it. That stock automatically gets hedged. For example, if I sell it to you at INR1 lakh, we will buy the same. The stock which is lying inside...



- Prabal:** You are not hedging the stock inside. So, basically, if I understand it right, if you have 100 kg gold lying around, that is unhedged. That is lying around at whatever cost you bought. Now, if you buy 10 kg new tomorrow, you will sell it overnight. So, that net-net...
- Pankaj Jagawat:** Yes, that's correct.
- Prabal:** Okay. So, sir, now you have a lot of experience in this industry. Now, the price of gold has increased a lot. Now, in H2... In your opening remarks, you gave a guidance of INR1,100- INR1,200 crores revenue. So, based on your experience, how do you see H2 margins? Like, the price of gold should be a little consolidated here. It should go a little downwards. So, how do you see your H2 numbers and margins?
- Pankaj Jagawat:** Margin would stay intact only. Margin would not go down.
- Prabal:** Okay. Okay. And, sir, I have a final question. In your annual report, in the MBA section, you talked a little about your export strategy and a little about expansion. So, if you can throw some more light... You are talking to some big international clients. Some are in client conversion. Because your guidance and capex is more. And I am sure your confidence must be coming from your sales team and your client partnerships. So, can you throw some more light on that?
- Pankaj Jagawat:** So, we are now participating in international exhibitions in Dubai which is going to be held in November. So, Yes. We are going international level also by exhibiting over there. And we have a plan to open an office in Dubai.
- Prabal:** Perfect. Perfect, sir. And a final question. Do you have any more fund-raising plans? Because you are doing expansion. [Inaudible 0:20:30].
- Pankaj Jagawat:** So, as and when there is requirement, we will be taking it from the bank.
- Prabal:** So, you will be taking it from the bank, so no equity [Inaudible 0:20:43] on the cards.
- Pankaj Jagawat:** No, not at present.
- Prabal:** Okay. Okay, fine, sir. I will get back in the queue.
- Moderator:** Thank you. The next question comes from the line of Vishal from Nishikama. Please go ahead.
- Vishal:** Hello. Good evening, sir. Sir, first thing I want to ask, our contract with the customer is it like a fixed in terms of margin? That we will only do it at this price? How much percent margin? How does that work?
- Pankaj Jagawat:** The margins are fixed. That means it's fixed only with the customer. That doesn't go up and down on an everyday basis. Whatever percentage we charge.
- Vishal:** Okay. So, no matter how many changes there are from the gold price it will stay in range of 8% to 9%.
- Pankaj Jagawat:** Whatever percentage we have charged, it's going to be that.

- Vishal:** Okay. And do we have any contract with any of the large customers, on a yearly basis that how much we will supply and at what price?
- Pankaj Jagawat:** B2B doesn't run on a... They are fixed clients and we have a factory.
- Vishal:** So, nothing like an order book, right?
- Pankaj Jagawat:** No, nothing like an order book.
- Vishal:** Okay. Also, secondly, on employee expense. In H1, our employee expense is only INR1-INR1.5 crores, I guess. So, do you see this going up? Employee expense... INR1-INR1.5 crores.
- Pankaj Jagawat:** Employee expenses, you are asking me, right?
- Vishal:** Yes.
- Pankaj Jagawat:** So, it will be marginally a little bit high.
- Vishal:** Okay. But the sales growth that will be in line, right?
- Pankaj Jagawat:** Yes. It means very marginally high. Assume that 2-5-10 marketing people will increase. Not like something... It won't double. If the profit doubles, it won't double the employee. That will be very marginally it will increase, Yes.
- Vishal:** Okay. And, sir, our geographical revenue breakup will be broadly diversified in terms of Northeast region-wise?
- Pankaj Jagawat:** We are pan-India.
- Vishal:** Okay. Okay. And, sir, do we have any customer concentration? If any large customers who contribute significant revenue? You have mentioned two names, sir. But if there are any other customers who contribute significant revenue?
- Pankaj Jagawat:** Like TBZ is there. Neelkanth Jewellers is there. Lalithaa Jewellery.
- Vishal:** So, can you quantify the percentage concentration usually?
- Pankaj Jagawat:** Anyway, I have not calculated it yet. Obviously, my team must be knowing it. Like Kalamandir is there. Bhima is there. TBZ is there. So, C. Krishniah Chetty Jewellers. So, we have good clients and continuously they have been buying every month from us.
- Vishal:** Okay. Yes, that's it, sir.
- Moderator:** Thank you. The next question comes from the line of Agastya Dave from CAO Capital. Please go ahead.
- Agastya Dave:** Sir, thank you for the follow-up. Sir, again, going back to the margins. Sir, I wanted to ask you the same thing. You were telling the previous participant that margins won't change if gold prices fluctuate because that is your terms and agreement with your customers. So, at what level, sir?

Should we see it at the gross level. Gross means at the base of raw material cost you are getting a percentage spread. Or you are putting your manufacturing charges and employee costs and fixed overheads as well. Above that, you are getting a fixed at the EBITDA level. At what exactly level is this?

**Pankaj Jagawat:** No, sir. 4% on gold.

**Agastya Dave:** On gold. So, at the gross level, your margins are fixed.

**Pankaj Jagawat:** Yes.

**Agastya Dave:** Right. And they have increased because you have added designer jewellery. So, that is one reason. And second, you are saying that as the diamond share increases, it will increase even more. Is that understanding correct, sir?

**Pankaj Jagawat:** Yes, yes.

**Agastya Dave:** Okay. So, what is the contribution of this diamond right now? I think it is equal to zero. Right, sir?

**Pankaj Jagawat:** Around 2%.

**Agastya Dave:** 2%. And, sir, how much capacity do you have to take it to where? In the next 2 years?

**Pankaj Jagawat:** Around INR200 crores-INR300 crores in 2 years. It can be more, it can be INR500 crores because this is something, we have just got into the line. But 2% is also good. In a couple of months, we have started this business and people have shown interest in our line.

**Agastya Dave:** Right. So, now the expansion which is coming up, which is 5,000 square feet. So, during the IPO, my general understanding was that you are quite automated. It's not like you have a very manual intensive process. So, the 5,000 square feet that you are adding, how much of your employee base will you have to increase? Have you already started hiring and trading, sir? Or will you do it now when you get the facility next month?

**Pankaj Jagawat:** Trading and hiring has already been done.

**Agastya Dave:** So, it's complete, sir? So, this INR1.47 crores is capturing that?

**Pankaj Jagawat:** Yes. It will increase a little. Yes, almost you can say it is that. It's on a very minimum basis. So, it means, INR1.47 crores can become INR1.5-1.6 crores. It's not going to be like 1.47 crores will become INR2 crores. You got me? Yes.

**Agastya Dave:** Okay. Sir, after that, after this expansion comes online, it will be 13,000 square feet plus. So, the next round of expansion that you would need, would you be able to do it in the same location, sir? Or would you require a completely new place? This, I believe, is in New Bombay, right? The expansion. Sir, your expansion is not in Andheri, right? Your expansion is in New Bombay, right?

**Pankaj Jagawat:** Andheri, Andheri.

**Agastya Dave:** Okay, this is also in Andheri. So, after this, if you have to do the expansion, do you have space in Andheri, sir?

**Pankaj Jagawat:** Yes, we'll be taking per our requirement. If we are close, we'll take a place immediately.

**Agastya Dave:** Okay. And, sir, one final question. A lot of demand, sir, is coming from the UAE market for, even for Sky Gold and for, like, so many other companies. So, you said you'll participate in Dubai. In that, sir, how are your contacts in the Middle East market right now? Will this be a very long-drawn process for you, which you are just starting? Or, sir, have you already done some work to enter that market?

**Pankaj Jagawat:** We have good contacts over there. We've been doing it since years.

**Agastya Dave:** Okay. So, how big, again, sir, it's a question which was asked, sir, but how big is this opportunity, sir? The Middle East market plus also the Southeast Asian market, sir, how big is the opportunity for you?

**Pankaj Jagawat:** It's a very big, it's a very big opportunity. We'll participate in the exhibition now. From there, we'll get to know more, we'll get more ideas and we'll get to know how the demand is there. And we are planning to open our office in Dubai. And the exhibitions in Dubai, customers are going to come from worldwide.

**Agastya Dave:** Sir, when is it? December this time?

**Pankaj Jagawat:** November.

**Agastya Dave:** November. It is with the Dubai Shopping Festival?

**Pankaj Jagawat:** Yes.

**Agastya Dave:** Okay. Okay. Great, sir. Thank you very much, sir. And all the best. Sir, one last question, sir. You gave a guidance where somebody asked you for a long-term vision. So, three, four-year vision. So, you gave a number, you said INR3,000 crores, INR4,000 crores by which year, sir?

**Pankaj Jagawat:** 2030. INR4,000 crores, INR5,000 crores. INR3,000 crores, INR4,000 crores by 2030, we should reach.

**Agastya Dave:** Yes. Right. And, sir, after this current expansion to 2.5 tons, what would be your...Okay. Okay. I understand, sir. Okay. Thank you very much, sir. Thank you. All the best, sir. Okay.

**Moderator:** Thank you. The next question comes from the line of Rajesh Singla from VTG Capital. Please go ahead.

**Rajesh Singla:** Yes. Hello, Pankaj ji. Good afternoon and thank you and congratulations for a very good start of number. My question is on your diamond business. So, as we are saying that we will be increasing share of diamond in our total sales mix in the coming years and maybe reach around

30%-40% by 2030. So, can you please also share your view in terms of the margin differential which we get on the diamond jewelry versus the normal plain jewelry and versus designer jewelry?

So, for example, let's say Sky Gold or any other company is doing plain jewelry. There, that margin might be 3% to 4%. Designer jewelry could be 4.5% to 5%. And when it comes to diamond jewelry, so what kind of margin increase we can see as a share of diamond increases?

**Pankaj Jagawat:** Around 10% to 15%.

**Rajesh Singla:** 10% to 15% kind of margin we have in diamond jewelry. So, as the mix will increase, so we will see the better margin on overall basis as well.

**Pankaj Jagawat:** Yes, Yes, Yes, Yes.

**Rajesh Singla:** Okay. Thank you, sir. I will come back in the queue.

**Moderator:** Thank you. The next question comes from the line of Krimesh Gala, an individual investor. Please go ahead.

**Krimesh Gala:** Hi, sir. Congratulations on the good set of numbers. Sir, I actually joined the call late. So, there are few things that I wanted to ask. So, what would be our current capacity in terms of, in tons per month of annual basis?

**Pankaj Jagawat:** So, it's 1.5 tons to 6 tons. And we have increased it to 2.5 tons, approx.

**Krimesh Gala:** 2.5 tons, okay. And, sir, by 2013, I heard that you said that you will be doing INR4,000 to INR5,000 of top line. So, what would be the capacity by then?

**Pankaj Jagawat:** Approximately around 6 to 7 tons.

**Krimesh Gala:** 6? This would be annually, right, sir?

**Pankaj Jagawat:** Yes, we're talking about annually, Yes.

**Krimesh Gala:** Okay, that's it, sir. Thank you.

**Moderator:** Thank you. The next question comes from the line of Chandresh Malpani from Niveshaay. Please go ahead.

**Chandresh Malpani:** Hello. Am I audible?

**Moderator:** Yes, sir, you are audible.

**Chandresh Malpani:** Yes. So, thank you for the opportunity. So, just one question. You mentioned about volume growth to H1 basis year on year. But what would be the volume growth when we compare H1 FY26 to H2 FY25?

**Pankaj Jagawat:** That we don't know. We'll have to check with my people.

**Chandresh Malpani:** Okay, okay. That was it. Thank you.

**Moderator:** Thank you. The next question comes from the line of Naveen Soni, an individual investor. Please go ahead. Mr. Naveen, please unmute your line and go ahead. Since there is no reply from the line of Mr. Naveen, we'll promote the next.

The next question comes from the line of Kushal from Inwed Research. Please go ahead. As there are no response from Mr. Kushal, we will proceed ahead with the next question. The next question comes from the line of Viral Shah, an individual investor. Please go ahead.

**Viral Shah:** Hi, good afternoon, everyone. My question is related to due to the gold hike, the price hike.

**Moderator:** Mr. Viral, please hold on. As the line for the management has been disconnected, just give me a minute. Mr. Pankaj, can you hear us?

**Pankaj Jagawat:** Yes, Yes, I can hear you.

**Moderator:** You just got disconnected.

**Pankaj Jagawat:** Yes.

**Moderator:** Mr. Shah, you can proceed ahead with your question.

**Viral Shah:** Yes. Hi, good afternoon again. My question is related to due to the gold hike, the price hike that has happened. What has been the change in our volume versus value as in the growth that we have seen in the quarterly results? What has been the proportion of the volume and the value wise increase?

**Pankaj Jagawat:** See, volume wise, we have 25% volume has increased. And growth wise, I think around 35% it's increased value wise.

**Viral Shah:** Okay. So, do you see this hike overflowing into the next quarter as well because of the gold price that you might have considered for the upcoming orders? Would that impact the next quarter in terms of volumes?

**Pankaj Jagawat:** No, it's not going to impact the volume. Volume is going to go high because the demand is more so we have increased the capacity also seeing the demand.

**Viral Shah:** Okay. That's great news for the company then. Okay. Great. That's it. Thank you so much for the question.

**Moderator:** Thank you. The next question comes from the line of Vipin from TCC. Please go ahead. Mr. Vipin, please unmute your line and go ahead. Mr. Vipin, since there is no reply from Mr. Vipin, we will promote the next. Yes, sir.

**Vipin:** Good afternoon, sir.

**Moderator:** Mr. Vipin, kindly rejoin. The next question comes from the line of Vishal from Nishkama. Please go ahead.

**Vishal:** Yes, sir. Thank you for the follow on question. So, working on the cash flow side, with the increase in our revenue, our trade receivables have increased significantly. This way, our receivable days have increased anywhere between 70-80 days. So, how do you see this going on? I mean, our projection is very aggressive. We are trying to increase our top line by 70%-80% every year. So, how is this impacting our working capital?

**Pankaj Jagawat:** See, receivable means we have got now 70-80 odd customers new. So, according to that we have given them the leverage. And that is why our cash flow is going little above the time which is again going to become normal after 3-4 months.

**Vishal:** Okay. Okay. So, now our short term borrowing that has been at around INR100 crores, right? INR125 crores.

**Pankaj Jagawat:** Yes.

**Vishal:** So, what are what is the interest we have interest cost we have on this? I mean, what is the interest rate? I mean, what is the interest rate. Broadly, interest cost is 5.4 crores.

**Pankaj Jagawat:** 8.5%.

**Vishal:** Okay. Our short term rate is at 8.5%. And, do you see this going short term borrowing will be a little more elevated because we need more cash?

**Pankaj Jagawat:** Yes. Yes. We are going to borrow more from the bank. Around INR50 crores we are planning to borrow.

**Vishal:** Okay. So, we have set some debt to equity limit guidelines that we will not take this much leverage. Or as of now, we have not planned?

**Pankaj Jagawat:** Yes. So, as and when we see growth, our borrowing is going to increase.

**Vishal:** Yes. Yes. Okay. Got it. And, sir, just another thing, we have this group company, Shanti Gold. So, what is that business specifically?

**Pankaj Jagawat:** They manufacture different kinds of jewelry and we have a non-compete agreement.

**Vishal:** That has been run by you only or the management is different?

**Pankaj Jagawat:** In Utssav the management is different and here also the management is different.

**Vishal:** Okay. Management is different in both.

**Pankaj Jagawat:** Yes. Completely different.

**Vishal:** But, their business is on similar lines, right? We have non-compete agreement, but we have similar kinds of business.

- Pankaj Jagawat:** No, not similar kind of line. It's a different line. Product line is different.
- Vishal:** What do they manufacture?
- Pankaj Jagawat:** They manufacture bridal jewellery.
- Vishal:** Okay. Okay. Great. And sir, going ahead, do you see the cash flow stabilized? Second, on receivables side we have peers and on inventory side, we are calculating on mark to market value, right?
- Pankaj Jagawat:** Yes
- Vishal:** Is it fair to understand that in the last six months that the inventory has increased, that is because of gold price. Our accumulated gold has not increased terms of volume?
- Pankaj Jagawat:** A little has increased.
- Vishal:** And, sir, as you said, we are 100% natural. So, let's say, right now, if we purchase the gold, and let's say, going ahead, if the price drops, for a quarter, definitely, gold prices on a longer note won't be falling that much. But, let's say, if the gold prices fall by 15%-20%, at least for six months to, let's say, a year.
- So, does that impact our margins in the very short-term period? Because the gold inventory that we bought today, that is, let's say, at a higher price, and then there will be some correction. So, does that impact the margins?
- Pankaj Jagawat:** Very bit. Very minor.
- Vishal:** Very minor. Okay. Okay. Yes, that's it. Thank you.
- Moderator:** Thank you. The next question comes from the line of Prabal Jain from SM Holding. Please go ahead.
- Prabal Jain:** Yes, sir. Hi again. Sir, actually, I was looking, you also have a similar line of business company continuing with the last participant question, Shanti Gold Listed. And some of the products are definitely similar, and you, and there there are common promoters. So, sir, you mentioned that there is a non-complete clause. So, how are you segregating?
- Like, is it in the design level or Utssav's design is with Shanti or vice versa? Or is at the client level?
- Pankaj Jagawat:** Management is also separate. The CEO there is a different CEO, Mr. Harpreet Guleria. So, the designing is complete separate there, here it is complete separate. And both run on a different management. In both management is not involved.
- Prabal Jain:** Okay. Okay. Okay.
- Moderator:** Mr. Prabal, are you there?



**Prabal Jain:** Yes, Yes, I'm done. Yes, thanks.

**Moderator:** Okay, thank you. The next question comes from the line of Vipin from TCC. Please go ahead.

**Vipin:** Yes. Good afternoon, sir.

**Pankaj Jagawat:** Good afternoon.

**Moderator:** Yes, you are audible, sir. Mr. Vipin, you are audible. Mr. Vipin, please unmute your lines and go ahead. Since there is no reply from...

**Vipin:** Yes. Sir, my question is for manufacturing ornaments, how you are sourcing the gold? Is it locally or imported from Dubai or somewhere?

**Pankaj Jagawat:** We source the gold from either from the bullion dealer or from the bank.

**Vipin:** Yes, you are buying from the dealer or from the bank.

**Pankaj Jagawat:** Local.

**Vipin:** Yes, locally. And do you... Yes. Sir, do you get any... Credit period on this buying?

**Pankaj Jagawat:** No, it's no credit period on bullion.

**Vipin:** We have to make payment on cash basis, right?

**Vipin:** Yes. And, sir, for your customers, how much credit period you are giving? What is the credit period you are giving to your customers or how much time required to make the payments?

**Pankaj Jagawat:** 30 to 45 days.

**Vipin:** 30 to 45 days. Okay. And, sir, the diamond business you are going to start means you'll buy the stones from the merchants and you'll fix with our ornament. This is what is the diamond business you are going to do, right?

**Pankaj Jagawat:** Yes.

**Vipin:** Okay, sir. These are my doubts. Anyway, thank you so much and all the very best.

**Moderator:** Thank you. The next question comes from the line of Rajesh Singla from VTG Capital. Please go ahead.

**Rajesh Singla:** Yes. Hi. Hello, Pankaj ji again. Again, Rajesh here. So, basically, if I do the math on the numbers, so probably we might do around INR60 crores kind of PAT this year. And we are raising INR50 crores from the bank as well. So, around INR100 crores of additional capital probably we will receive or maybe if we talk about the second half only, so around INR80 crore of additional working capital we will have with us.

So, how many times, like, we can rotate it in a year? Like, five, six times? Like, seven times? How many times we can rotate?

**Pankaj Jagawat:** Four and a half times.

**Rajesh Singla:** Four and a half times. So, which means, like, around, we can expect around INR500 crore kind of additional revenue coming from this funding, right?

**Pankaj Jagawat:** Yes.

**Rajesh Singla:** Okay. And debt equity also looks to be quite stable at around one time. So, what is our comfort zone on debt equity ratio? Can we go beyond one times or 1.5? Because I think industry has around 1.5 times.

**Pankaj Jagawat:** 1.5 to two times we can go.

**Rajesh Singla:** Okay. Okay. Great, great, great. Thank you, Pankaj. Thank you.

**Moderator:** Thank you. The next question comes from the line of Raghunath Gupta, an individual investor. Please go ahead.

**Raghunath Gupta:** Good afternoon, sir. Congratulations and good set of numbers. I have a couple of queries. Just wanted to understand actually, how are you able to contain employee expenses, which appears to be very low at about INR1.47 crores for a total strength of 130 employees? Is this going to continue at this level or are we going to see any elevation on this?

**Pankaj Jagawat:** That can increase from INR1.47 crores to INR1.6 crores.

**Raghunath Gupta:** Okay. And one of the points actually credit rating agency has mentioned is that you don't hedge your inventory. So, what exactly is companies stand on hedging of inventory?

**Pankaj Jagawat:** Day-to-day business we hedge the gold, means whatever price we sell it, we immediately buy it on the same price. So, there we don't and only on the stock what we own our stock that we don't we keep it unhedged.

**Raghunath Gupta:** Okay. My last question actually, are you availing any gold loan?

**Pankaj Jagawat:** No.

**Raghunath Gupta:** Okay. Thank you very much. That's it from my side.

**Moderator:** Thank you. The next question comes from the line of Vipin from TCC. Please go ahead.

**Vipin:** Yes. Good afternoon, sir.

**Pankaj Jagawat:** Good afternoon.

**Vipin:** Sir, my question is this. Yes. You are doing your work. You are outsourcing your manufacturing work for this designing job and everything?

**Pankaj Jagawat:** No. Everything is in house.

**Vipin:** Outsourcing.

**Pankaj Jagawat:** Everything is in house.

**Vipin:** Everything is in house. And your people are doing the work. Fine. Thank you. And the other thing, sir, you have any plan for going to retail sector? Opening shops?

**Pankaj Jagawat:** At present, we have not thought about any retail. At present, we have not thought about the retail sector.

**Vipin:** Yes. Yes. Okay. Okay, sir. Thank you so much. Thank you.

**Moderator:** Thank you. The next question comes from the line of Prabal Jain from SM Holdings. Please go ahead.

**Prabal Jain:** Yes. Yes, sir. Sir, I wanted to know that since you have just completed your H1, so typically the clients who procure your jewellery in your business, their order cycle, do they place orders in the starting of the quarter or how does it work? Do they order for the whole year or is it slow.

**Pankaj Jagawat:** As and when they require the jewellery, they give the order.

**Prabal Jain:** So, say Q3 is going on. If they feel they need inventory and they place the order now. In how many days do you deliver the order? Fulfilment time?

**Pankaj Jagawat:** Around 7 to 10 days. Around 7 to 10 days.

**Prabal Jain:** The reason I am asking this is because you said in your introductory remark that you will do INR1,100 crores. You have done around INR480 in H1. So, whatever you will do in H2, you will have confirmed orders somewhere.

**Pankaj Jagawat:** This is the festive season. This is the wedding season. So, there is a lot of demand every time in the second half.

**Prabal Jain:** Okay. So that means you don't have confirmed orders but you are anticipating due to the festive season upcoming that you will get this.

**Pankaj Jagawat:** No, it happens every year. It is always higher on the second half of the year. Because of marriage.

**Prabal Jain:** And margins. Whatever will change on margins will be immaterial. Going to gold down cycle. Is that what you said, right?

**Pankaj Jagawat:** Yes.

**Prabal Jain:** Okay. Okay, sir. Very good. All the best.

**Pankaj Jagawat:** Thank you. Thank you, Prabal ji.

**Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Harshil Ghanshyani for closing comments.

**Harshil Ghanshyani:** Yes. Thank you. Thank you everyone for joining the conference of Utssav CZ Gold Jewels Limited. If you have any queries, you can write us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again, thank you everyone for joining the conference call.

**Moderator:** On behalf of Kirin Advisors Private Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.