



KHAZANCHI LTD JEWELLERS

(Formerly Known as Khazanchi Jewellers Private Limited)

Date: November 13, 2024

**To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001**

Ref: SCRIP: 543953 | KHAZANCHI | INE00WC01011

Subject: Submission of Investor/ Analysts Presentation

Please find enclosed herewith the Investor/ Analysts presentation on the Financial Results of Khazanchi Jewellers Limited for the half year ended September 30, 2024.

This presentation is being submitted in compliance with Regulation 30(6) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

The same is also being made available on the Company's website www.khazanchi.co.in.

You are requested to take the same in your records.

**Thanking You
For Khazanchi Jewellers Limited**

**Sakshi Jain
Compliance Officer & Company Secretary
Membership No.: A68478**



KHAZANCHI
JEWELLERS

Khazanchi Jewellers Limited

H1 FY25 Investor Presentation

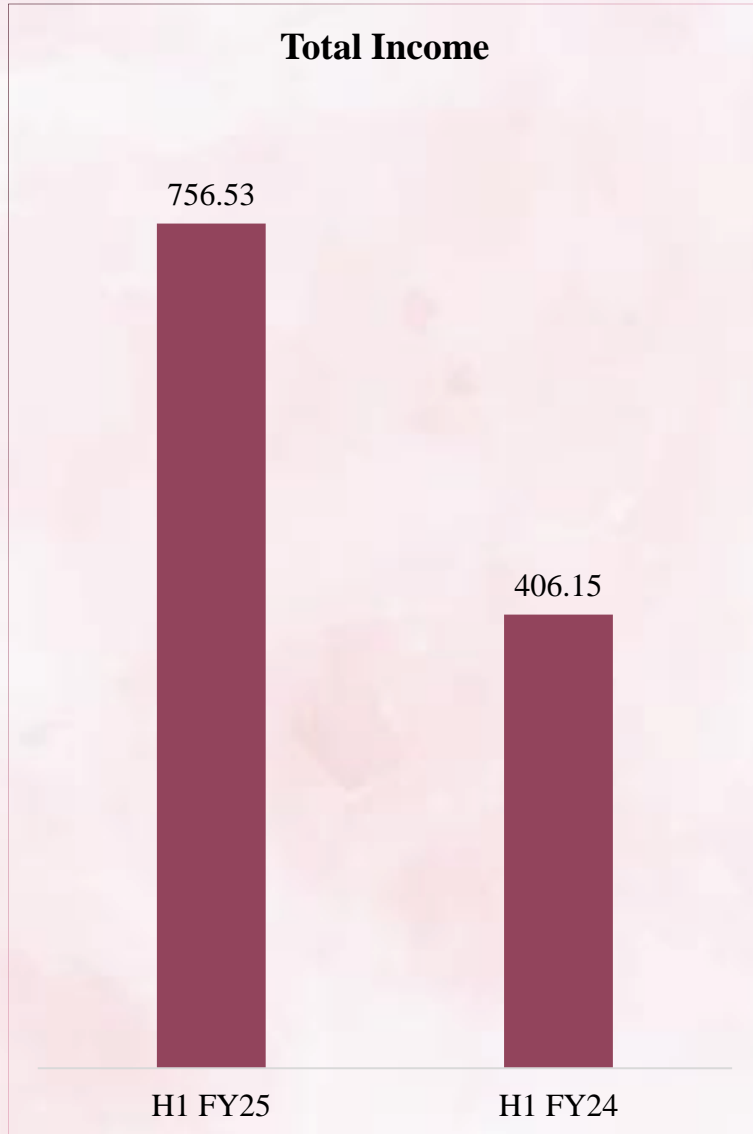


H1 FY25

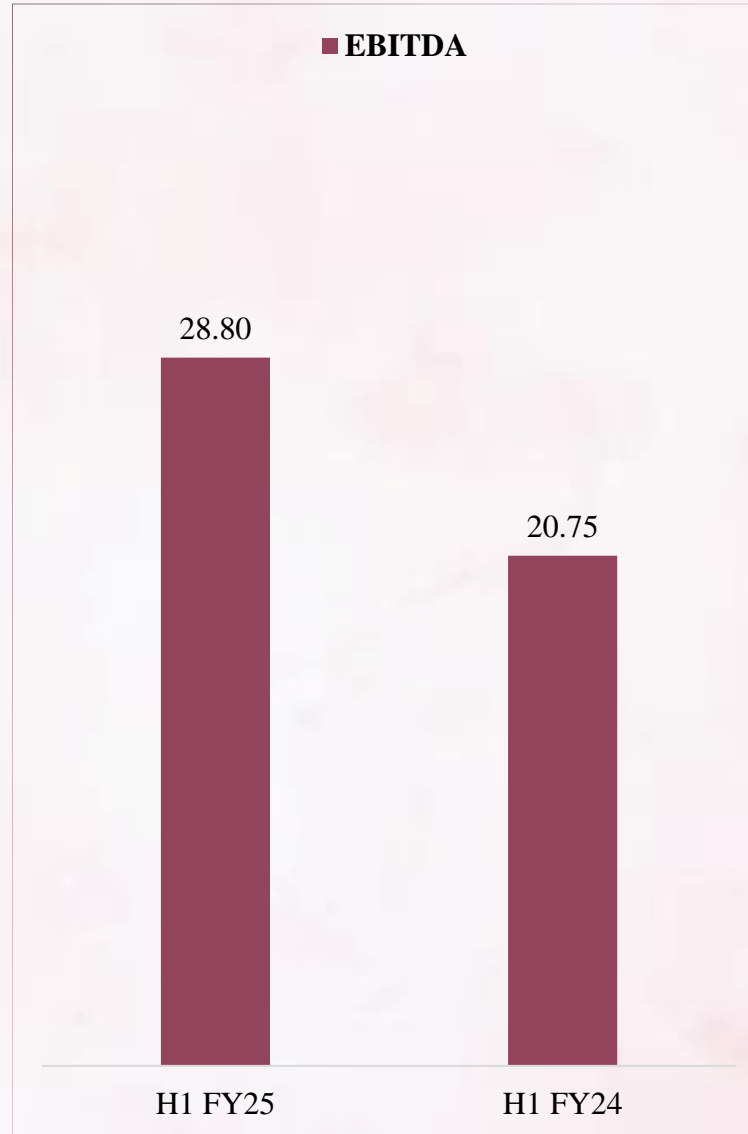
Financial Highlights

H1 FY25 Key Financial Highlights

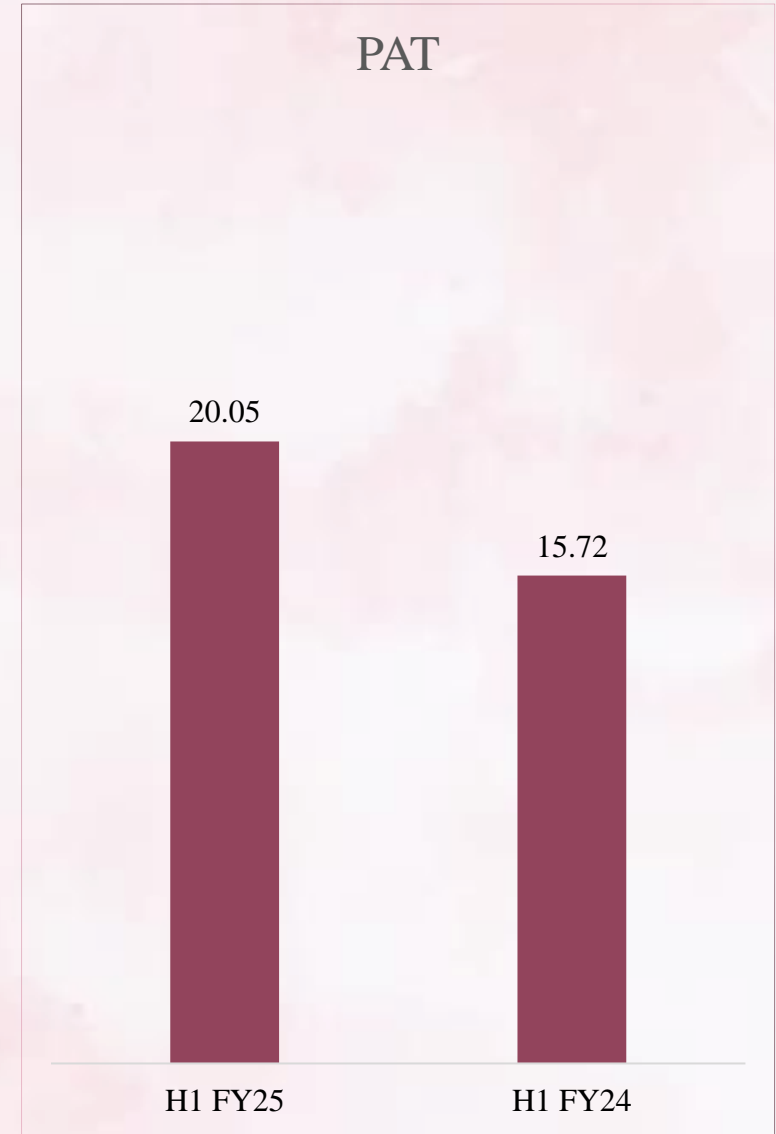
Total Income



EBITDA



PAT



All Figures In ₹ Cr & Margin In %

H1 FY25 Profit & Loss Statement

In ₹ Cr

Particulars	H1 FY25	H1 FY24	Y-O-Y Growth
Revenues	756.23	405.77	
Other Income	0.30	0.38	
Total Income	756.53	406.15	86.27%
Raw Material Expenses	0.00	0.00	
Employee costs	0.79	0.55	
Other expenses	1.46	1.46	
Total Expenditure	727.73	385.40	
EBITDA	28.80	20.75	38.79%
Finance Costs	1.62	2.41	
Depreciation	0.10	0.11	
PBT	27.09	18.23	
Tax	7.04	2.51	
PAT	20.05	15.72	27.54%
EPS	8.10	6.35	27.56%

Company Overview



Founded by Mr. Tarachand Mehta in 1971 and later incorporated in 1996, Khazanchi Jewellers Limited, based in Tamil Nadu, Chennai, India, specializes in a wide array of jewelry products and offers a range that includes gold, diamonds, and precious stones, as well as exquisite fancy jewelry. The offerings also encompass sought-after bullion items like coins and bars. Serving as a pivotal player in both wholesale and retail markets.

The central focus is on crafting, producing, and delivering high-quality jewelry, spanning a broad spectrum from necklaces, chains, rings, earrings, bangles, bracelets, pendants, nose pins, mangalsutras, kadas and many more. The dedication lies in the creation of exquisite wedding jewelry and festive pieces, capturing the essence of special occasions.

Holding a BIS Hallmark Certificate to validate jewelry purity, the company is a qualified jeweler authorized for transactions on the IIBX (India International Bullion Exchange IFSC Limited) platform, facilitating gold imports, supported by an Import Export Certificate.

The Company got listed on the BSE SME platform in the month of August 2023.

Key Facts

50+
Years Of Experience

25 +
Products Category

5 Lakh +
Design Library

1,200 sq. ft.
Retail Showroom

1398.99 Kgs
FY24 - Total. Sales Qty

10,000 sq. ft.
Upcoming Showroom

FY24
Total Income – **821.53 Cr**
EBITDA – **41.78 Cr**
PAT – **27.32 Cr**

FY24
ROE- **14.55 %**
ROCE – **17.11 %**

A Timeline Of Khazanchi Jewellers

1971

Entered In Jewellery
Hub Of Chennai

1982

Entered New
Wholesale Unit

1996

Shifted To A Larger
Showroom & Converted
From a Proprietary Concern
To Pvt Ltd

2000

Initiated B2B Supplies
to Major Corporates

2023

Company got listed on
BSE SME

Open Retail Outlet In
The Name & Style Of
“Vijay Jewellers”

1981

Formed Proprietary
Concern “Khazanchi
Jewellers”

1991

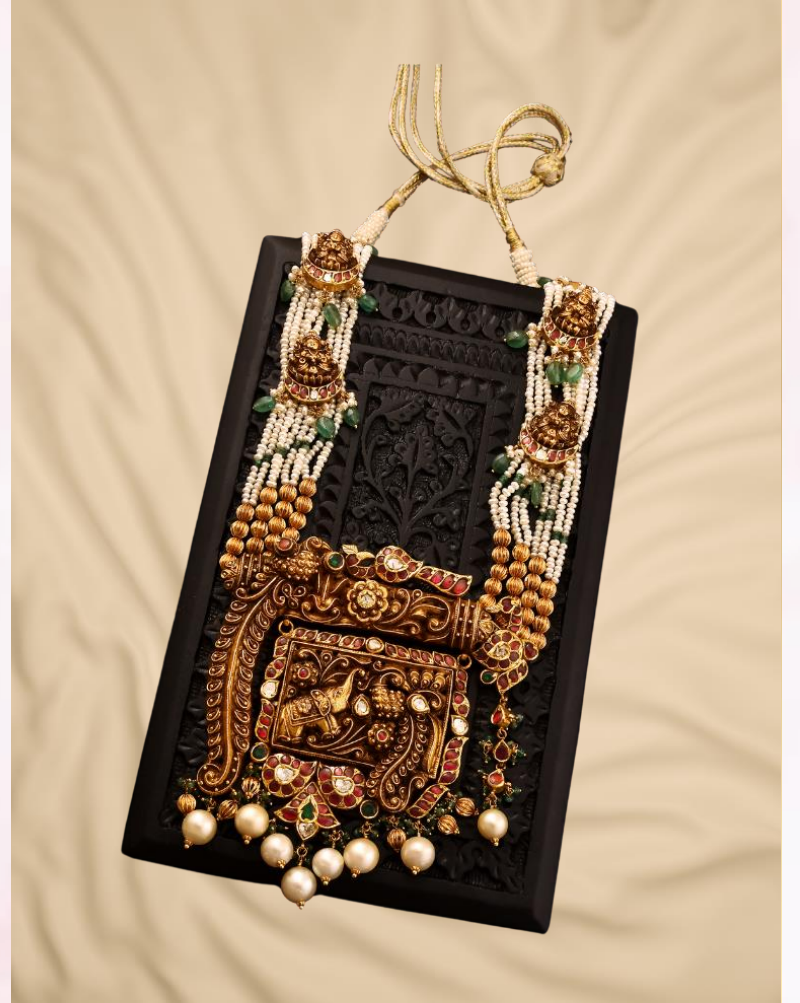
Started With
Silver Store

1998

Shifted Silver
Business To A New
Entity Khazanchi
Silvers Pvt Ltd

2018

Embrace the Gold Symphony





Welcome To A World Where Every Adornment Is A Testament To Unrivalled Craftsmanship And Timeless Elegance.

Embark on a journey of opulence with Khazanchi Jewellers, where a treasury showcases an opulent collection. Featuring Temple, Antique, Calcutta, Bombay, and Bengali Jewelry, explore a lavish spectrum of necklaces, harams, chains, bangles, pendants, rings, earrings, bracelets, and more. This ensures a personalized selection for discerning clientele. Beyond this, bespoke services are offered, crafting unique pieces tailored to individual preferences.

Specializing in customized jewelry, the company engages independent third-party artisans to bring customer visions to life, ensuring unique designs and tailored requirements are met with precision.

Leveraging a network of contract manufacturers, mainly localized jewelry producers from various parts of India, allows the company to offer a wide-ranging product selection.

Operated by the company's dedicated design team, the primary focus is on creating products that cater to the diverse needs of customers.



Huge Ready Collections Available In Store

Experienced Promoters And Senior Management Team

Quality assurance

Cordial Relationship With Customers

Strategic Location

Competitive Pricing Than Other Stores In Vicinity & Elsewhere

Certified Quality, True Value Price





Business Overview

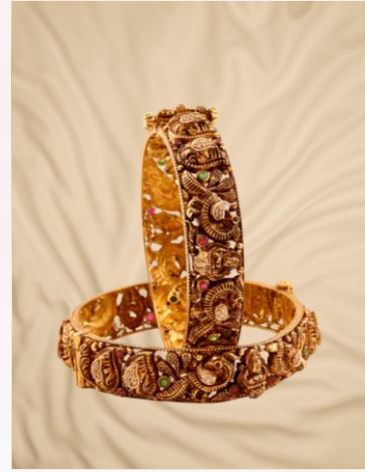
Product Profile Encompasses Traditional, Contemporary, And Combination Designs Across Various Jewelry Lines



Temple Jewellery



Gold Chains



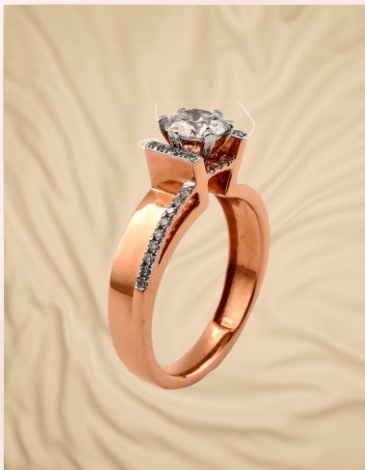
Gold Bangles



Gold Earrings



Gold Necklace



Gold Rings



Mangalsutra



Kundan Jewellery

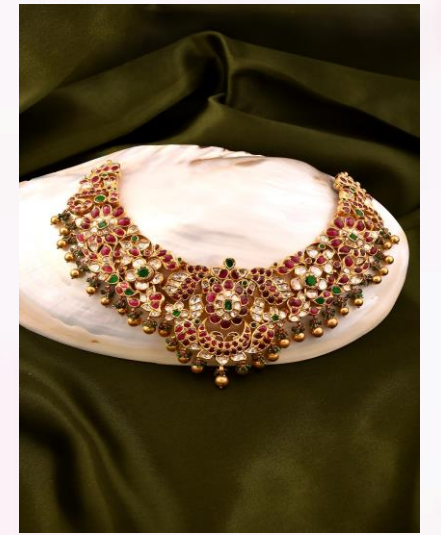
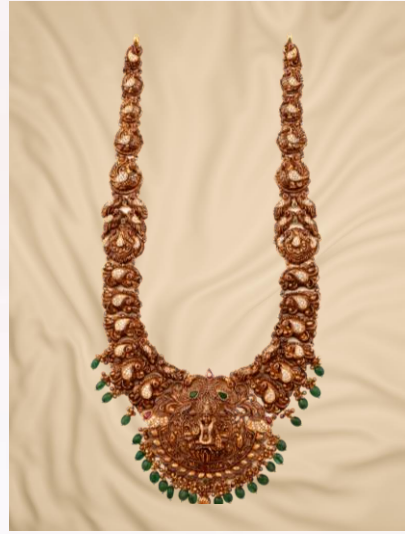


Kerela Jewellery



Calcutta Jewellery

From Classic To Contemporary





Heeramandi Theme Photoshoot





Management Overview





Mr. Tarachand Mehta

Promoter & Managing Director

He has 5 decades of experience in jewellery industry.

His knowledge of the jewellery industry has contributed to the growth of our Company.

Currently, he looks after the overall operations and gives strategic directions furthering the growth of our Company.

He is also involved in strengthening the sales, implementing the marketing strategy and involved in the business development of the Company.



Mr. Goutham

Promoter & Executive Director

He has 30+ years of experience in jewellery industry, having been associated with the Company since 1997.

He has completed Bachelors of Commerce (B.com) from the University of Madras.

He spearheaded the expansion of the company's retail and wholesale reach, diversifying jewelry offerings for a wider customer base.

Entrusted with financial oversight, he oversees the company's expansion, overall management, and operations.



Mr. Rajesh Kumar

Joint Managing Director

He brings over 25 years of experience in the jewellery sector and finance business, holding a Bachelor's degree in Commerce.

His deep industry knowledge and strategic expertise enhance the company's objectives, ensuring financial stability and growth.

Dedicated to excellence, he is known for his significant equity stake, strong relationships with key leadership members, and keen business acumen, steering the company to navigate challenges and capitalize on opportunities.



Mr. Aashish Mehta

Chief Executive Officer

He has already accumulated over 4 years of experience in the jewellery industry.

His passion for the field and dedication to excellence have allowed him to quickly establish a reputation for his keen business acumen and innovative thinking.

His ability to analyze market trends and make informed decisions helps guide our company's financial strategy, ensuring its stability and sustainable growth.

With his passion for the jewellery business, he is well-equipped to lead us towards a future of growth, success, and innovation.



Mr. Vikas Mehta

Chief Financial Officer

He holds a Commerce degree from the University of Madras.

With over 20 years of experience in the field of jewellery, he has honed his skills and developed a deep understanding of the industry.

His finance expertise is remarkable, with comprehensive knowledge in management and analysis.

His strategic planning ensures financial stability, navigating industry challenges effectively for business growth.



Mr. Tanuj Susilkumar

Non-Executive Independent Director

He was appointed as a Non-Executive Independent Director on November 12, 2024. His role will leverage his expertise to provide independent oversight and strategic guidance, supporting the company's commitment to strong governance and accountability.

With a Bachelor's degree in Commerce specializing in Finance and Accounting and a Company Secretary qualification, he brings four years of practical experience in secretarial law.



Mr. Naresh Jain

Non-Executive Independent Director

With a Bachelor of Commerce from the University of Madras, he brings over 15 years of finance expertise.

His impartial perspective and analytical skills enhance decision-making, ensuring company's financial stability and growth.

Dedicated to excellence, he's known for keen business acumen, innovative thinking, and understanding customer preferences, steering our company to offer captivating jewelry collections that resonate with our audience.



Mrs. Rithika

Non-Executive Director

She is a Chartered Accountant, highly qualified and accomplished professional and has a knowledge in the field of accounting and finance.

Her appointment as a Non-Executive Director brings a wealth of financial knowledge and a strong commitment to corporate governance to the company.

Her contributions are expected to play a vital role in guiding the company towards continued success and sustainable growth.



Mrs. Sakshi Jain

Company Secretary & Compliance Officer

She has been appointed as Company Secretary and Compliance Officer w.e.f April 01, 2023.

She holds Bachelor of Commerce degree from University of Madras and is an Associate Member of the Institute of Company Secretaries of India.



Industry Overview

High Gold Demand In India Acts As A Major Driver For Growth And Opportunity

According to World Gold Council, India is the second largest gold jewellery consumer in the world.

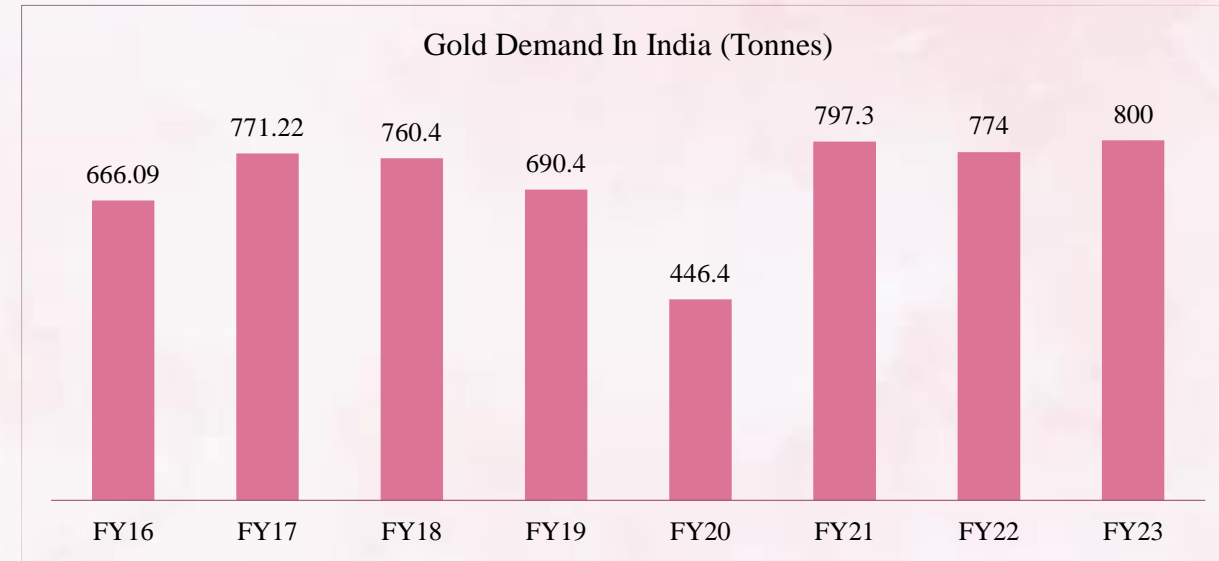
In the March quarter 2024, India's gold demand increased by **8 per cent** annually to reach **136.6 tonnes**, supported by a robust economic backdrop, even amidst historically high prices, as reported by the World Gold Council.

According to a CRISIL Ratings study, revenue of organized gold jewellers is expected to rise **16-18 percent** in FY24, however volume growth could be **minimal - upto 5 percent**.

Gold Custom Duty Reduction

As per the Union Budget 2024-25, gold duty has been reduced from **15% to 6%**, effective July 24, 2024 the most significant reduction since June 2013.

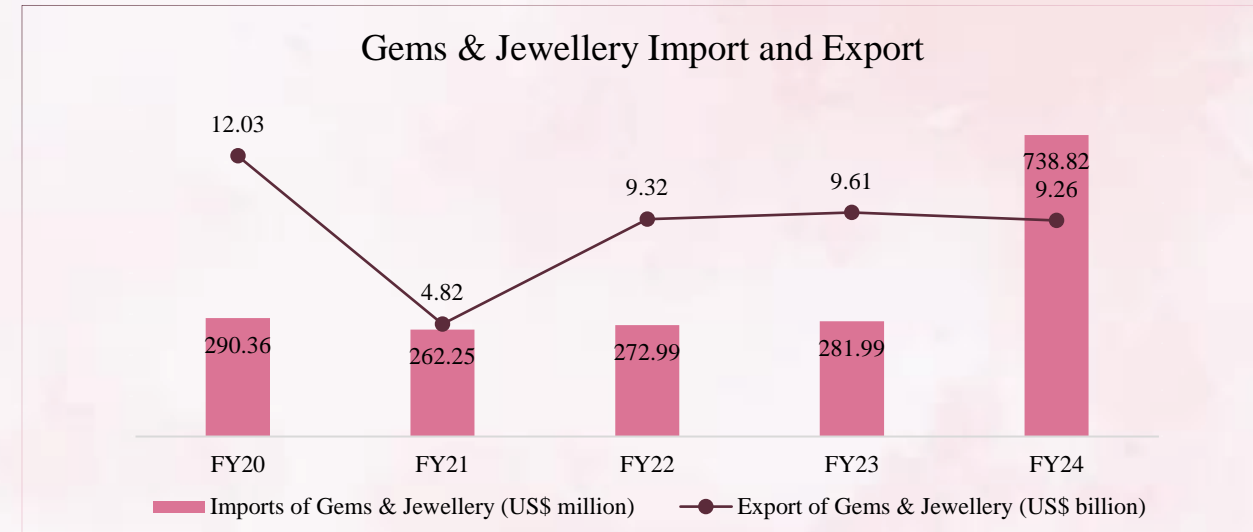
This change is expected to lower the landed gold cost, enhance domestic industry competitiveness and likely boosting gold jewelry production and employment.



Source: pib.gov.in, gold.org

In the period from April to January 2024, the Gem and Jewellery Export Promotion Council reported that imports of gold bars amounted to US\$ 2,367.12 million, while imports of gold jewellery totaled US\$ 738.82 million.

India's gems and jewellery exports are expected to reach US\$ 100 billion by 2027. Globally, India was the top exporter of diamonds with a share of 33% in 2021. India is the second largest gold jewellery consumer in the world and India's gold demand will witness a sharp upswing to top 800 tonnes in 2023.



Government Initiatives

- Reduction in import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down local market prices.
- Permitted 100% FDI in the sector under automatic route, requiring no prior approval from the Reserve Bank or the Government of India.
- Signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, boosting exports for the Indian Gems and Jewellery industry.
- Signed an FTA with the UAE, expected to reach a target of US\$ 52 billion.
- Reduced custom duty on cut and polished diamond and coloured gemstones from 7.5% to 5% and NIL.
- Revised SEZ Act expected to boost gems and jewellery exports.
- Made hallmarking mandatory for Gold Jewellery and Artefacts, with a period of one year from January 2021.
- Hallmarking of gold jewellery set to begin on June 15, 2021.

Source: [ibef](#), [stockgro](#)

Significant Demand Originates From South Region And Rural India

About 40% of the demand for gold comes from South India, where value-conscious consumers and economy goods account for the majority of the jewelry sector.

After harvest season, the rural community chooses to invest in gold due to its high liquidity and lack of faith in financial goods.

The demand for jewelry is still skewed toward certain months due to the wedding and festival seasons as well as the harvest of crops.

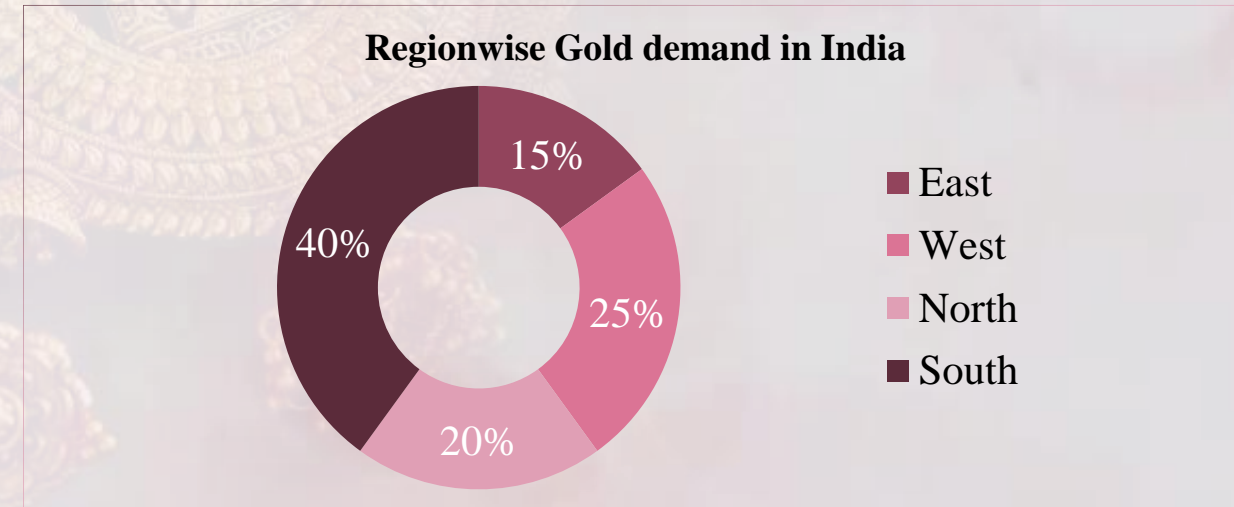
Seasonality In Jewellery Buying - Done

Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Festival	✓									✓	✓	✓
Harvest	✓	✓	✓	✓					✓	✓	✓	✓
Marriage	✓	✓	✓		✓	✓			✓	✓	✓	✓

Urban vs Rural: Gold Ownership (%) based on Income Level

Income Level	Urban	Rural
40,000 - 1,00,000	49	74
1,00,001 - 4,00,000	60	76
4,00,000+	80	93

Regionwise Gold demand in India



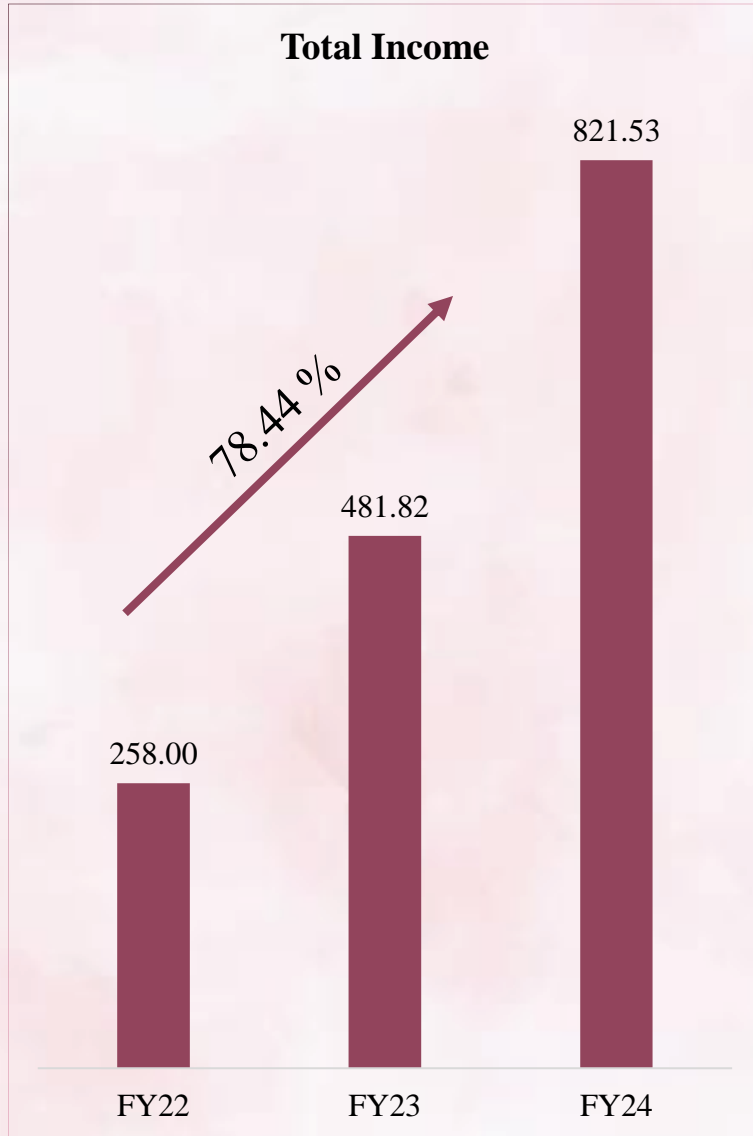
Source: WGC

Financial Overview

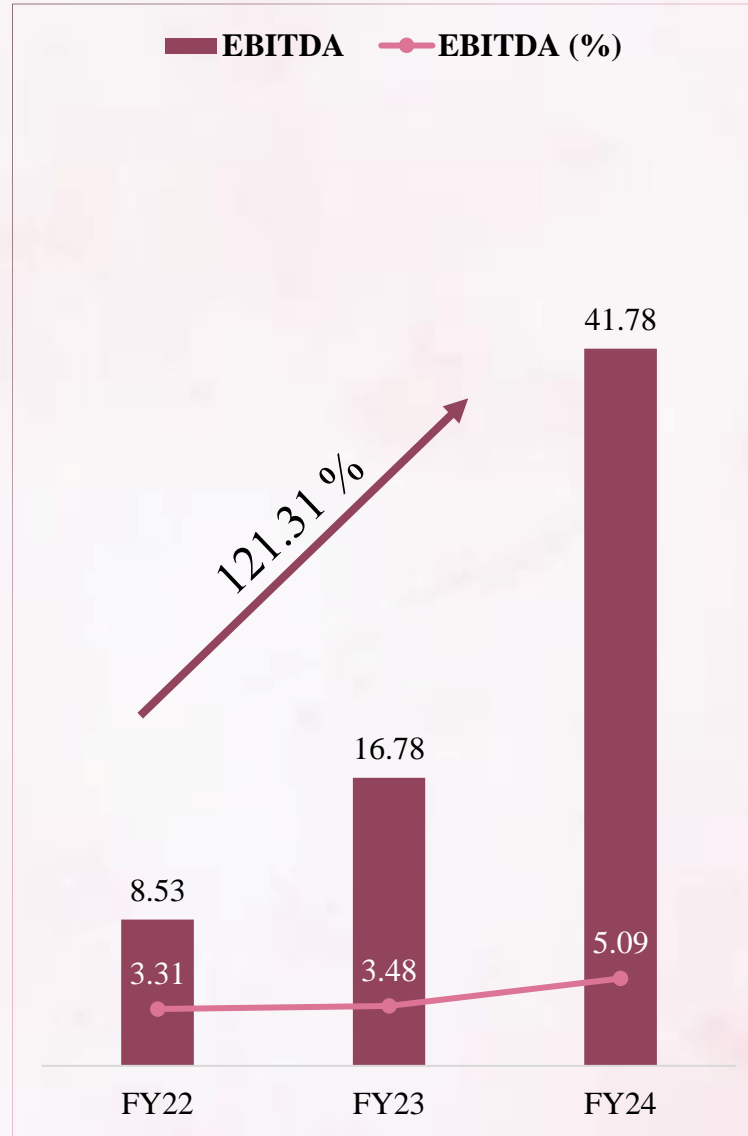


Key Financial Highlights

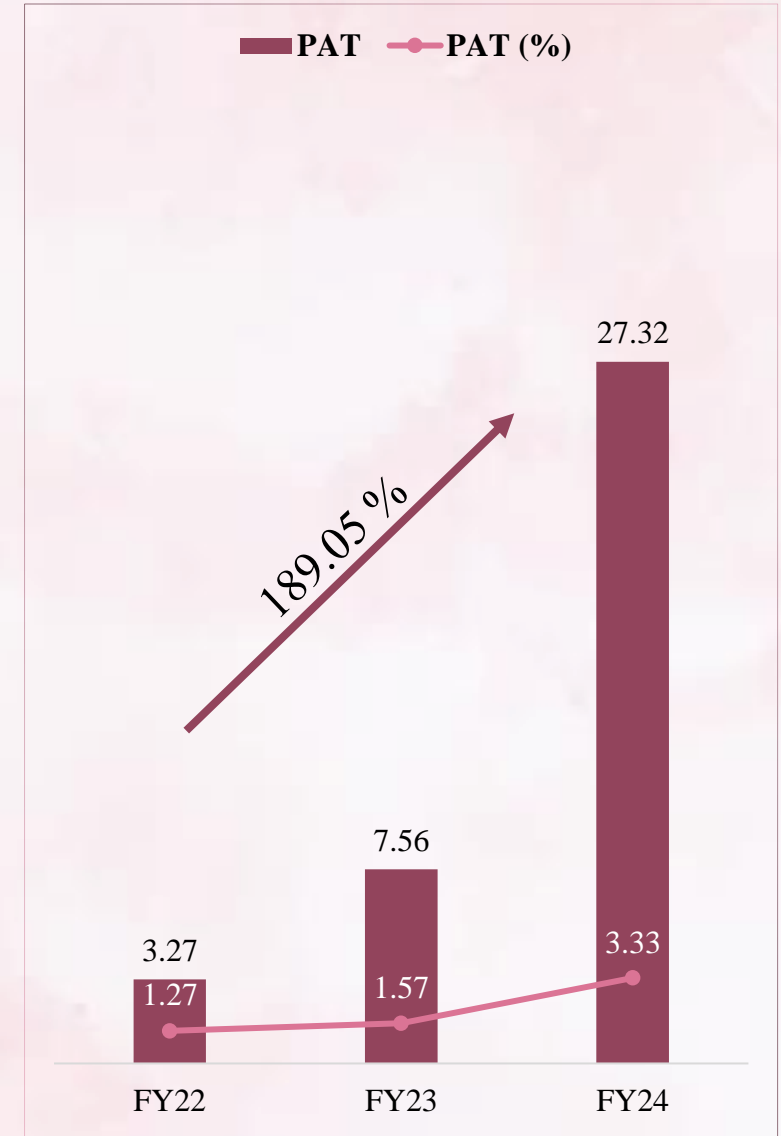
Total Income



EBITDA



PAT



All Figures In ₹ Cr & Margin In %

Profit & Loss Statement

In ₹ Cr

Particulars	FY24	FY23	FY22
Revenues	820.78	480.66	256.94
Other Income	0.75	1.16	1.05
Total Income	821.53	481.82	258.00
Raw Material Expenses	776.12	462.63	245.21
Employee costs	1.52	1.09	0.76
Other expenses	2.11	1.31	3.50
Total Expenditure	779.75	465.04	249.47
EBITDA	41.78	16.78	8.53
Finance Costs	4.80	6.44	4.23
Depreciation	0.27	0.07	0.09
PBT	36.71	10.27	4.21
Tax	9.39	2.71	0.95
PAT	27.32	7.56	3.27

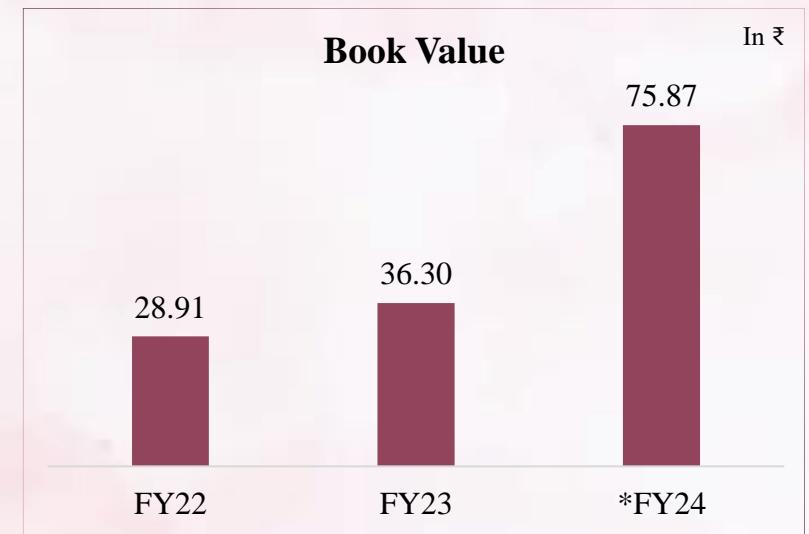
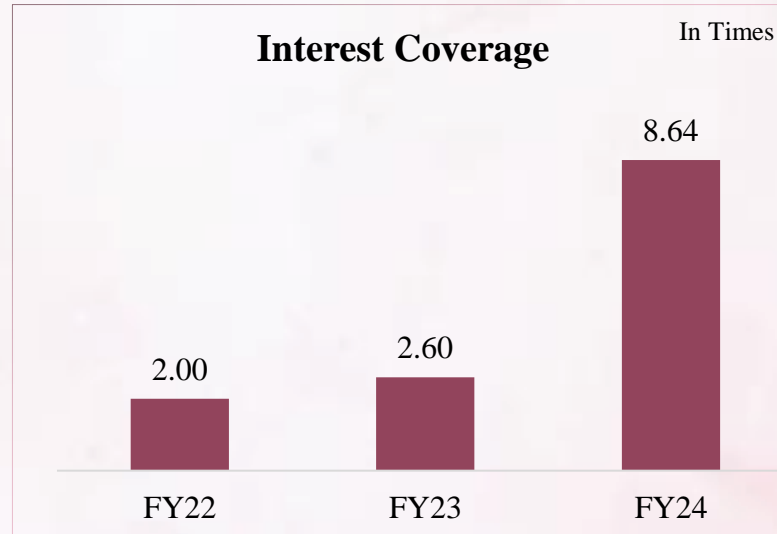
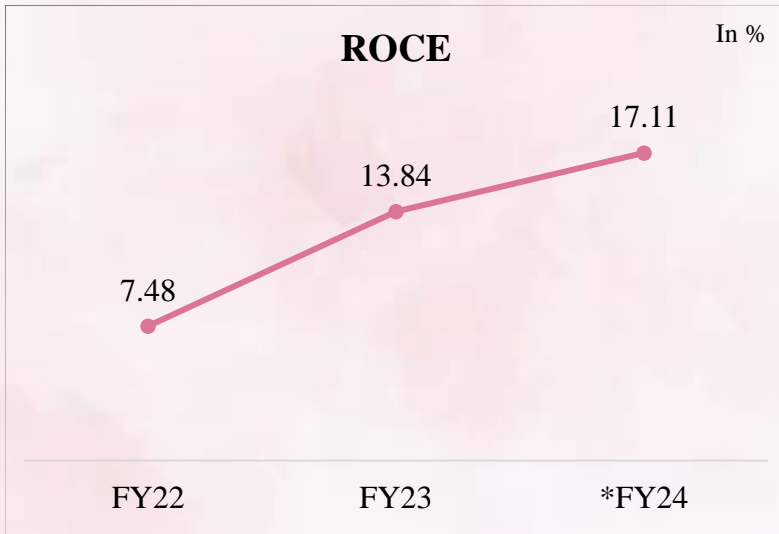
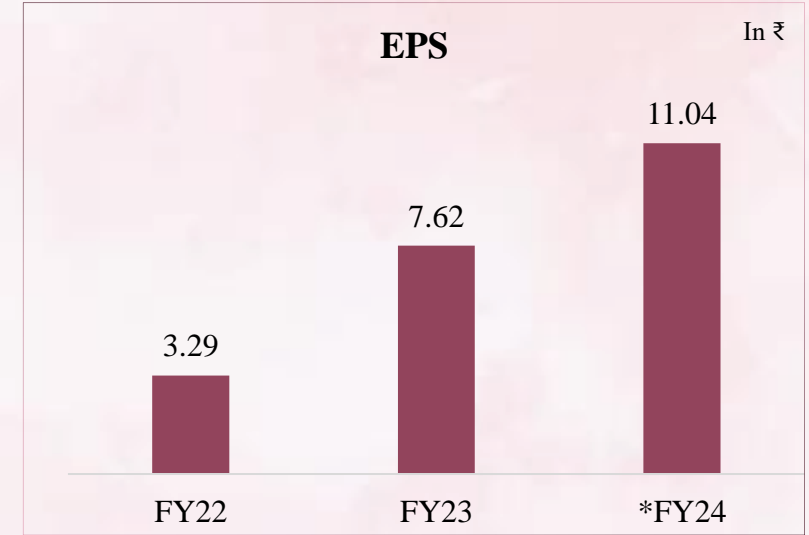
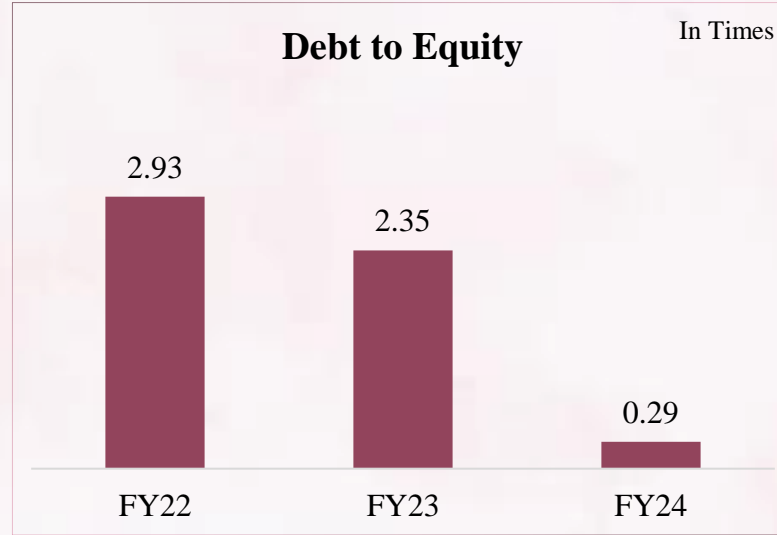
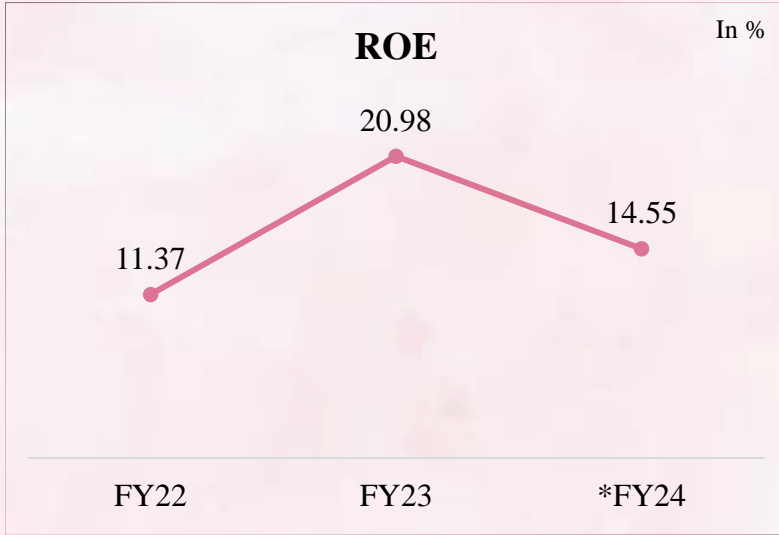
Balance Sheet Statement

In ₹ Cr

Equities & Liabilities	FY24	FY23	FY22
Equity	24.74	9.93	9.93
Reserves & Surplus	163.02	26.12	18.78
Net Worth	187.76	36.05	28.72
Non Current Liabilities			
Non Current Borrowings	18.96	52.30	53.52
Lease Liabilities	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.00	0.00
Long Term Provision	0.44	0.21	0.00
Total Non Current Liabilities	19.40	52.51	53.52
Current Liabilities			
Current Borrowings	35.84	32.33	30.61
Lease Liabilities	0.00	0.00	0.00
Trade Payables	1.10	22.84	11.01
Current Tax Liabilities (Net)	0.00	0.00	0.00
Short Term Provisions	9.78	0.95	-0.23
Other Current Liabilities	0.41	0.39	0.74
Total Current Liabilities	47.13	56.51	42.13
Total Liabilities	254.29	145.07	124.36

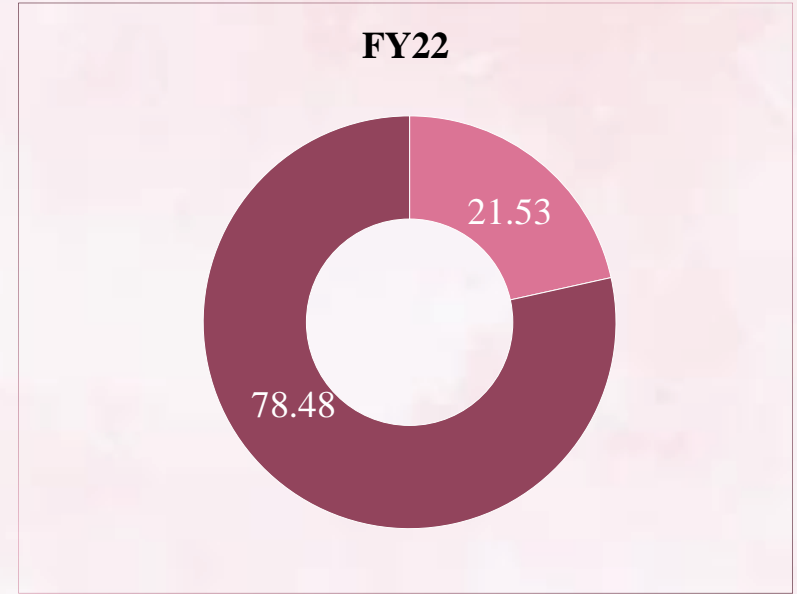
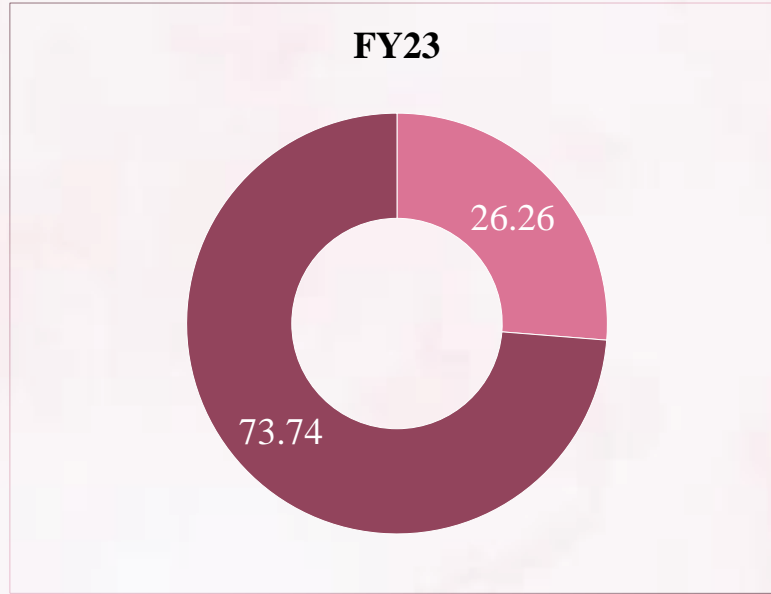
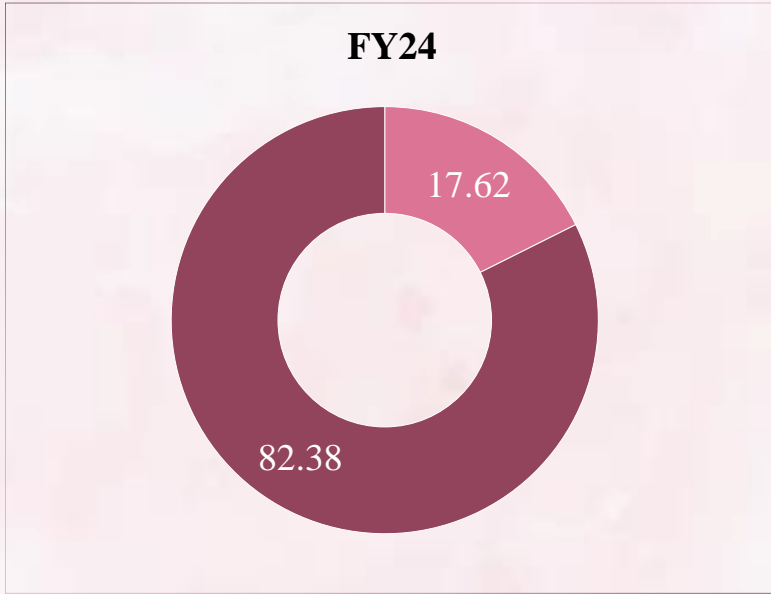
Assets	FY24	FY23	FY22
Non Current Assets			
Fixed assets	15.35	12.81	12.66
Non Current Investments	0.00	0.00	0.00
Other Non Current Financial Assets	1.16	0.01	0.01
Deferred Tax Assets (Net)	0.35	0.03	0.03
Other Non Current Assets	3.40	1.03	0.00
Total Non Current Assets	20.27	13.88	12.70
Current Assets			
Inventories	201.02	128.07	106.01
Trade receivables	23.29	2.02	3.31
Cash & Bank Balance	0.86	0.27	1.62
Other Current Financial Assets	0.71	0.71	0.71
Current Tax Assets (Net)	0.00	0.00	0.00
Other Current Assets	8.15	0.12	0.00
Total Current Assets	234.02	131.19	111.66
Total Assets	254.29	145.07	124.36

Key Ratios



The company's equity capital has raised from 9.93 Cr to 24.75 Cr due to the issue of IPO

Product Wise Revenue Bifurcation



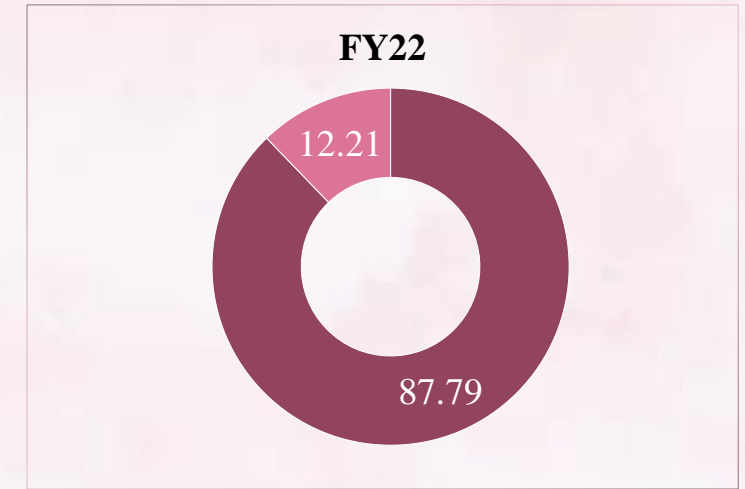
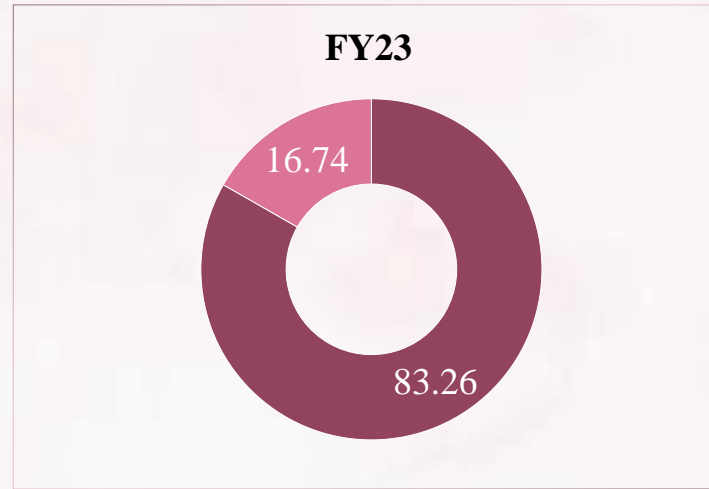
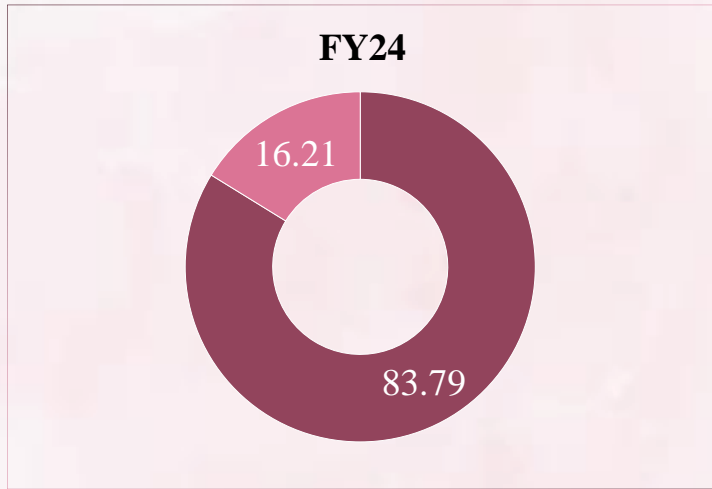
■ Ornaments ■ Bullions

In %

In ₹ Cr

Particulars	FY24	FY23	FY22
Ornaments	676.18	354.42	201.64
Bullions	144.59	126.24	55.31
Total	820.77	480.66	256.94

Operating From Chennai, The Products Reach Customers Nationwide Through Bulk Buyers (Institutional Sales)



■ Tamil Nadu ■ Other Cities / States

Particulars	In ₹ Cr		
	FY24	FY23	FY22
Tamil Nadu	687.73	400.22	225.56
Other Cities / States	133.06	80.44	31.38
Total	820.78	480.66	256.94

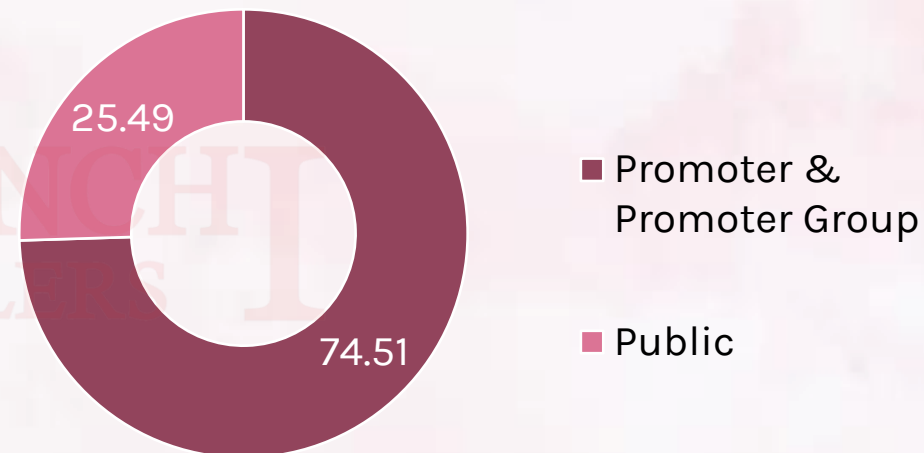
As on 12-11-2024

As on 30-09-2024

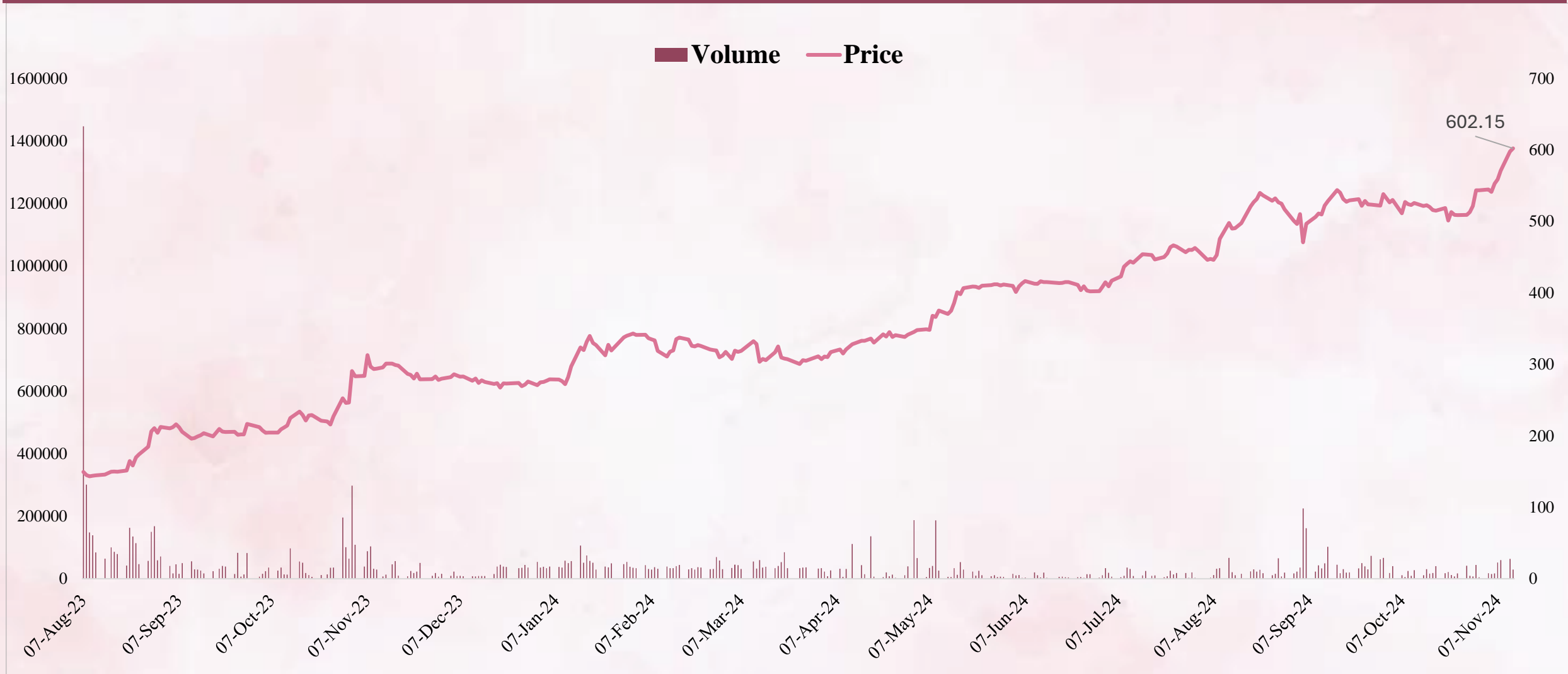
BSE: INE0OWC01011

Share Price (₹)	602.15
Market Capitalization (₹ Cr)	1,490.13
No. of Shares Outstanding	2,47,46,900
Face Value (₹)	10.00
52 Week High (adjusted) - (12/08/2024)	609.00
52 Week Low (adjusted) - (11/08/2023)	263.00
Month H/L	609.00 / 534.00
Week H/L	602.15 / 541.15

Share Holding Pattern



Share Performance From 7th August 2023 To 12th November 2024



Source – [BSE](#)

The Way Forward



**Setting up new showroom to
widen the product portfolio and
enhance capacity**

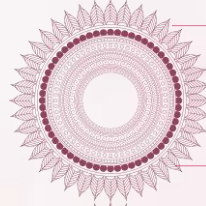
**Expanding customer network
in existing markets and enter
new geographical markets**

**Reinforcing Inventory
Management Practices**

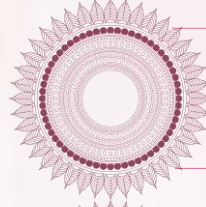
Customer Centric Operations



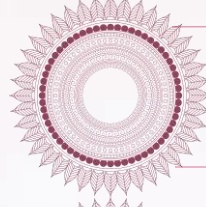
Embracing Competitive Advantages For Excellence



Experienced Promoters with young leadership and a demonstrated track record supported by a highly experienced and accomplished senior management team and Board of Directors



Company engaged in wholesale business of manufacture and sale of gold jewellery to nationwide retailers.



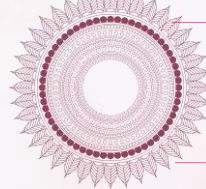
Brand built on the core values of trust, transparency and innovation; strictly committed to ethical business practices.



Integrated Quality Manufacturers From All Parts Of Indis For Manufacturing Unique Designs For Retail & Wholesale Demands



Established systems and procedure to mitigate risk. Quality Control by strictly observing hallmarking norms



Design and Innovation in product range

Expansion Plan - New Proposed Showroom

New showroom planned at 286, NSC Bose Road, Sowcarpet, Chennai 600079, a 3-floor building, covering 10,000 square feet

Acquired 304.50 sqm land at NSC Bose Road, initiating preliminary construction stages for the showroom

New showroom expected to open by May 2025, funded by Issue's Net Proceeds.

Large-format model adopted for showroom

Financial and operational analyses conducted for strategic location selection

Company has obtained approvals for trade licenses and registrations



*Subject to changes



Experienced Leadership

Led by a seasoned management team with **40+** years of collective experience in the jewelry industry, the company has benefited from the **expertise** of its promoters and senior executives, including founder Mr. Tarachand Mehta, driving sustainable growth and operational excellence.



Strong Financial Performance

The company has demonstrated a strong financial trajectory with a **78.44%** CAGR in revenue growth from FY22 to FY24, along with **121.31%** growth in EBITDA and **189.05%** growth in PAT over the same period.



Expanding Presence

The company is strategically expanding its retail footprint with a new showroom set to open in Sowcarpet, Chennai, in May 2025. This large-format, 10,000 Sq-ft showroom will be dedicated to the B2C segment, aiming to capture better margins and enhance customer experience.



Strategic Benefits from Duty Reductions

With the reduction in custom duty on gold (**from 15% to 6%**), the domestic jewelry industry is expected to see a significant boost in production, employment, and competitiveness, positioning the company to benefit from this macroeconomic shift.



Competitive Strengths

The company offers certified quality at true-value pricing, ensuring **competitive** rates compared to other stores in the vicinity. This strategic pricing, combined with customer-centric service, allows the company to maintain a stronghold in the market.



Extensive Product Portfolio:

The company offers a broad range of **products**, including **gold, diamond, and precious stone jewelry**, along with bullion items such as coins and bars. This comprehensive offering serves both wholesale and retail markets, ensuring a strong and diversified presence across multiple segments.



Seasonal Demand Boost

The jewelry sector sees a significant sales surge during festivals and weddings. The company is poised to benefit from this trend with its extensive festive and bridal collections, driving strong revenue growth during peak seasons.

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Thank You



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