

RBZ[®]
JEWELLERS LTD.

(Formerly Known as RBZ Jewellers Pvt. Ltd.)

18th November 2024

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

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

Security Code: 544060
Security ID: RBZJEWEL

Symbol: RBZJEWEL

Dear Sir/Madam

Sub: Earning call Transcript with Analysts and Investors (Group Call) for the Quarter ended as on 30th September 2024.

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(Group Call) on Thursday 14th November 2024 at 16:30 hrs. for discussion on the financial performance of the Company for the quarter ended on 30th September 2024.

Path: https://rbzjewellers.com/wp-content/uploads/2024/11/Investor-Earn-Call-Transcript_14.11.2024.pdf

This is for your information and records.

Thanking you,

For, RBZ Jewellers Limited

Heli A Garala
Company Secretary & Compliance Officer
Membership no. ACS 49256



“RBZ Jewellers Limited
Q2 FY '25 Earnings Conference Call”
November 14, 2024



**MANAGEMENT: MR. HARIT ZAVERI – JOINT MANAGING DIRECTOR --
RBZ JEWELLERS LIMITED
MR. HARMIL SHAH – CHIEF FINANCIAL OFFICER –
RBZ JEWELLERS LIMITED**

Moderator:

Ladies and gentlemen, good day and welcome to the RBZ Jewellers Limited Q2 FY25 Earnings Conference Call. 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 the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

Before we proceed to call, let me remind you that the discussion may contain certain forward-looking statements that may involve known or unknown risks, uncertainties, and other factors. It must be viewed in conjunction with our business risk that could cause actual results, performance, or achievements to differ significantly from what has been expressed or implied in such forward-looking statements.

Please note that the company has uploaded the results and the outcome of the board meeting on the website of Stock Exchange and website of the company. I now hand the conference over to Mr. Harit Rajendrakumar Zaveri, Joint Managing Director of the company. Thank you and over to you, sir.

Harit Zaveri:

Good evening, all. We have just concluded our quarter two results and we are happy to announce that the revenue growth of the company on Y-o-Y basis is around 57% from last year's INR74 crores to this year's INR116 crores and then Q1 41% from INR82 crores to INR116 crores. Half yearly growth has also shown positive in terms of revenue.

In the quarter two, our retail and wholesale business has done very well, that is, on the B2B side, the sale of goods business. The sale of service business had shown an impact because of which the emitted levels of the company has dropped significantly considering the Y-o-Y last year, second quarter of 2024 to this year, the second quarter of 2025. Apart from this, the company has invested heavily in HR resources and team building and we are moving on a much stronger path ahead.

The fundamentals of the company are intact and we are building brick by brick, be it team, be it resources, be it infrastructure and despite duty cuts and despite prices going down and significant changes in volatile environment of gold prices, we have seen the revenue going up. In the last earnings call, I had clearly mentioned that the quarter two and quarter three has to be looked on a mixed basis. Again, I have my same things.

We have just completed the festive month of Diwali. It has been a great season. After Diwali, we are full of orders when it comes to sale of services, that is, job work part. The wedding season is doing good and the wholesale business on the B2B side is seeing good demand. Certainly, what we are expecting is a much better quarter ahead than last year or the quarter two that we have done so far. As a company, on the financial level, we have done a pack which is approximately INR8 crores, more or less on the same lines with last year quarter two pack.

Year-on-year basis, we are at INR17.14 crores, versus last year INR12.9 crores. We are packed positive, we are revenue positive and third quarter will bring out more realities and the festive

month and the wedding month combined will show 100% better track record and better results. This is it.

I am open to questions from any of the investors or any of the call attendees.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Prerana Amanna from PNA Capital. Please go ahead.

Prerana Amanna: Hello sir, good evening. So, my first question is how many kgs of gold have we done in H1? We had a target of doing 1,500 kgs, right, for this year?

Harit Zaveri: Correct. So, Prerna 1,500 kgs was in line with the actual gold rate of INR6,000 a gram. So, if the gold prices escalated by around 17% to 25%, you know, because of the duty rate cut, the prices gone down and again, it reached the level of INR80,000 right now it is INR77,000.

So, because of that, you know, volumes in retail and wholesale has shot up, but in the sale of services the volume has gone down. So, overall, we are looking at around, right now we are at around 542 kilos and we are hopeful to get the two quarters much better. So, even if we are at volume positive of around, let's say, 1,300 kilos or so, still we are, you know, that would result in actually a net of revenue of more than the company actually going at more than 45% because of the 25% growth in volume prices itself.

The retail and the wholesale business has seen a volume positive and to the tune of around 260 kgs has come from retail and wholesale alone. So, from, you know, last year, I think that is approximately a volume jump of 25% to 30% or plus. So, only because of the sale of services, that is Q1 was slow for organized retailers.

Q2 they have, after the duty rate cut, the demand actually flowed in. So, we will be getting, we got the orders quite late. So, the demand has been postponed. We got orders in month of August mid. So, September was the only month to have. September, October are the months where we have completed the orders.

So, yes, by the end of the year or by quarter three, we would be volume positive and by the end of the year, I think we should be having a volume growth of around 20%.

Prerana Amanna: Okay, sir. And, and regarding this, you know, a lot of companies have been reporting this inventory loss because of this cutback on import duty. So, what has been the inventory losses that we've had this quarter like on in Q2?

Harit Zaveri: So, we maintain our books on the weighted average principle. So, whatever the, if the prices goes down, the book value of gold supports the prices. So, in general, you know, our book, there was a sudden decrease in, you know, custom duty, but that has not impacted the books to the greater extent.

Yes, the book value did support it. So, book value was near about where the prices of gold were. And so, we did not see any significant loss of, you know, inventory because of the duty rate cut.

And I think you can say that it was an opportunity loss because of the rate that happened. But again, the rate went back to 75,000 or so. And it was a, it was a good quarter for that reason. In fact, duty rate cut also witnessed a very strong walk-ins. And especially in organized segment, they had a very good demand. And because of that, our Q3 will be going or September-October went, you know, beautiful.

So, I think duty rate cut was a nice thing that happened. And no such substantial losses that has been there because of book value of gold was already lesser.

Prerana Amanna: Okay. And sir, what was the reason that our PAT was, you know, flat compared to last Q2 and this Q2 then, if there was no inventory losses as such?

Harit Zaveri: Yes. So, only reason was scale of services demand was lower. So, you know, last year, yes. And that was because I had said in my last earnings call also, if you just follow, in quarter 2, quarter 1 I had said that organized retailers have not done well in quarter 1. Their revenue were not highly growing. So, in quarter 2, because of duty rate cut, they have done nice.

And we have also got in orders. So, Akshay Tritiya, the inventory that they loaded has to sell off. But because of elections, because of, a lot of other economical factors, it did not turn out well. But in quarter 2, their demand is good. And so, we are also having good orders in hand, you know, after mid of August. And certainly in quarter 3, you will see that all the three segments, be it retail, wholesale or job work, or sale of goods and sale of services, both the segments will be doing fairly well.

And in line, I mean, we are growing at around 55% in revenue terms. We will continue to grow at the same pace, hopefully. I mean, October has gone and we are almost in the mid of November. And I think we are in right track as of now.

Prerana Amanna: So, sir, you are confident about achieving that INR600 crores revenue mark and INR35 crores impact, I assume?

Harit Zaveri: Correct. So, right now, we are almost on 90%-95% of last year's mark we have achieved. So, I can say that we are pretty confident for achieving a mark of around INR500 crores to INR600 crores and INR35 crores in PAT.

Moderator: The next question is from the line of Balakrishnan from Tata Consultancy Services. Please go ahead.

Balakrishnan: Sir, I have a question here in this statement, financial statement. This one is very high. I mean, 602788, change in inventories of finished goods and work in progress. What is this, sir? I mean, it is very high, very, very high compared to the last quarter and the previous year. Previous year, it was only 2174. But in the current year, it is showing 6027. How come, sir?

Harmil Shah: So, sir, if we look at the COGS year on year, the total is INR52 crores. Again, INR74 crores of top line, that is around 73%. And currently, the COGS has hit INR91 crores, that is around 78% of our top line. So, the increase is mainly due to the job work, the sale of services that has hampered because the reduction in job work volume has impacted, has a lower COGS. But as

the retail has increased, if you will see year on year, last September, we have grown retail quite significantly.

So, that is the purchase of traded goods. And the increase and decrease in traded goods is also there in minus INR60 crores, 27 lakhs. So, if we see the reason, the increase from 73% to 78%, this is the major reason.

Harit Zaveri: Also, there is an inventory purchase that has been taken. You know, we have utilized the limits in quarter 2. So, you know, there is a, we are, in the month of August, it is a kickstart month for the jewellery industry. So, because of purchase of inventory, be it in traded or in manufacturing goods, the inventory, there is a change in the inventories.

Balakrishnan: Sir, this inventory, we bought the inventory, but we haven't sold that inventory. I mean, that will, that you will show it in the next quarter or the quarter?

Harit Zaveri: Correct. So, it is not necessarily that we have just bought this inventory and not sold this particular inventory. It is the combination of opening stock plus purchases minus sales and the changes in inventory then results in.

Balakrishnan: So, how much, how much of 6070 is the goods, sir, that is bought?

Harit Zaveri: 6027 is almost gold, no, sir? So, we have generally, we are 95% into, 90%-95% into gold. And INR60 crores rupees is almost all gold that is bought.

Balakrishnan: Like, my only question is like how, how it can become like from 322 to 60270, that much big number?

Harmil Shah: So, sir, if I give you the breakup of INR60 crores, INR60 crores, 67 lakhs, we can say that 50% of these changes is due to the finished goods that is, that we have produced. And that would be sold in future and 50% is from the retail buying that we did in this quarter too. See, if you see the purchase of traded goods year-on-year, if you see last September '23, there was a H1 purchase of INR76 crores, which has gone up to INR101 crores. So, there was a, there was a buying also in traded goods during this quarter.

Balakrishnan: So, my question is like, I mean, will it be added to the revenue or profit or anything for the next quarter or something like that time?

Harmil Shah: Yes, yes, definitely. Whenever it would be sold in probably next quarter, it would be directly impacting the top line. And it would go to purchase of traded goods or cost of material consumed. If it is FG, then it would be, it would be parked in cost of material consumed. And if it is traded goods, then it would be going through traded goods.

Balakrishnan: No, this is the item, like maybe, I don't know, because of these, yes, cost of the material used, okay. Okay, sir, anyway, like you will be meeting the guidelines for this year. What is the, what is the target set for this year? I mean, how much sales and how much profit by end of the year, we can see?

Harit Zaveri: So, INR500 crores to INR600 crores will happen top line. So, we are, you know, the top line has already grown by around 55% to 60% this year, on a Y-o-Y basis. I think continuous top line growth will happen around 55% to 60% even in this quarter or more. But on a year-on-year basis, INR500 to INR600 crores is what we are looking forward for a top line and INR35 crores is what we are looking for the bottom line.

And around 1,200 to 1,300 kilos is what we are looking at the volumes. So, because the price has escalated very high, so that there is a lower volume growth. Otherwise, we were looking at around volume of around 1,400 to 1,500 kilos. But 30%, 25% volume prices have hiked. That is why we have to cut our estimates in volumes. But yes, year-on-year growth of revenue and PAT levels are intact.

Balakrishnan: Okay. So, whatever the impact that happened in this quarter, we are not expecting any kind of that in next three or four quarter, right? Next three and fourth quarter, right?

Harit Zaveri: So, this, I mean, this is just a postpone of demand. See, quarter one, organized retailers did not do well. Quarter two, they did well. So, quarter three, B2B will be doing well because of, you know, there is a demand in the market. Even the festives have gone good for all the retailers. So, I think there is a good demand in the market right now.

We are hopefully -- and we are growing good. We are growing at around 55% to 60%. So, I think if the top line is growing, it is a good growth. And bottom line, I think it is intact. Half yearly, we have already done INR17 crores and we are projecting INR35 crores. I think we will be able to meet it up.

Balakrishnan: At the same rate, I mean, half yearly 17 means, next one more 17 you are expecting, that's it?

Harit Zaveri: 17, 18 we are expecting.

Balakrishnan: I mean, like third quarter of the season, it should be a good quarter, sir. Then like you should expect something more, right? Why again like only 17?

Harit Zaveri: Sir, I think we are not only taking third quarter, we are also taking fourth quarter into place. Let us see how the third quarter rolls out. Like you, even we are hopeful, but when we give out the numbers, I mean, we are committed to it, right? So, the whole team is working to achieve better numbers. But I think from INR22 crores last year to INR35 crores this year is a decent jump.

We are -- our hunger is more than -- I can put it in words, but the company has to grow more on fundamental basis. I mean, the better questions would be that how growth is sustainable. We have, we are adding SAP to the, we have added SAP, financial integrity is high, our team is expanding. Robustness is coming into the system.

So, this is, this is all parameters I think by which we can continuously grow. And that is more core for the company. Yes, this year we would be hopeful that your word should turn true and we should be turning better numbers than 35. Let us see, sir. Let us work that. Seasons have gone good.

October has been good. November is so far so good. Let us see. Hopefully, we will do better.

Balakrishnan: How about this expansion plan, sir? We were talking about some expansion plan last time.

Harit Zaveri: Correct, sir. So, the addition of new manufacturing facilities on the, on the map. We are right now still watching the volume figures. See, we are -- we have an infrastructure of around two tons. We are -- if right now we are projecting that this year we should have done 1500, 1600 kilos. We have not done that kilos because 30%, 25% price of gold went up.

So, we will be doing perhaps 1300 kilos or so. So, I mean, we do have a capacity in hand. We should be very, the timing of the expansion has to be very right. I think after this, I think in the next fiscal year, by fiscal '26, we should be ready with all the expansion plans and certainly moving ahead.

Moderator: The next question is from the line of Rajendra Pasi, an Individual Investor.

Rajendra Pasi: My first question would be, you mentioned about the opportunity cost, right? So, can you explain like what percentage of opportunity cost were you talking about? Whether you have purchased the gold at lower prices and due to a decrease in the gold duty, you had lost like the top and bottom line. And did we work anything on basically to buy it again during that time so that we can get the benefit in the future?

Harit Zaveri: Correct, sir. So, opportunity growth is some opportunity profit or sort of that is always there in the market. So, you know, the gold prices goes up and there is always an opportunity to sell that gold.

Harit Zaveri: Correct, sir. So, opportunity growth is some opportunity profit or sort of that is always there in the market. So the gold prices goes up and there is always an opportunity to sell that gold. But our company is into making of jewellery, selling of jewellery. We are fundamentally based company. We look forward for a consistent growth.

Once the profit, if there is a price of let's say 80,000 once the profit can be delivered. But consistency of profit would come by building up a much stronger base of a company by selling jewellery and getting new clients and so on and so forth. So, yes, opportunity in the growth in the near term is like 80,000.

I think when there is a rate of 80,000, we could have sold the gold and we could have got the profit because now it is lower. But it is generally prevailing in the market. I think for RBZ, we look at every quarter, how are we building the company for future? So, I can say that sacrificing any short term opportunities, yes, could be there.

But having a long term view would be something more interesting for us. So, I think not selling at 80,000 or not selling at 81,000 could be an opportunity missed. But let us focus on business. That is it, sir.

- Rajendra Pasi:** And can you give me, like the revenue break up, like, what percentage was in retail, wholesale and what percentage of work we have done in this quarter? And what percentage of your work was impacted when we compare it to the last year?
- Harit Zaveri:** So, jewellery sales of retail, when you talk about sale of goods, jewellery sales of retail and wholesale is 50%. And when you talk about volumes, we are 70% to 75% driven into B2B market. And 25% to 30% driven for retail market.
- Rajendra Pasi:** And the third question would be that you mentioned in the previous con-call that Q2 is going to be light, right? So, does this number fall in the expectations like what you had expected or like they are good or they are more on the worse side?
- Harit Zaveri:** Okay numbers, sir. Very honestly, if you ask me, these numbers are okay. Like, I mean, we have the sale of services impact has been substituted by growth in revenue and business boost in retail and wholesale. So, we have done pretty well when it comes to wholesale and retail. But due to a demand effect in organized players, our sale of services has got impacted, which is just going to improve.
- The demand has just postponed. So, as a whole, the company has done decently in quarter two. Quarter three should be one which we should be eyeing too, sir.
- Rajendra Pasi:** And the last question would be like, what are the volumes that we have done in this quarter versus last financial year for the same quarter?
- Harit Zaveri:** I'm sorry, sir. Can you repeat it again?
- Rajendra Pasi:** I'm asking like, what are the volumes of gold that we have done in this quarter when compared to last quarter in the last financial year?
- Harit Zaveri:** I think this year, I think sale of services volumes has got impacted. Retail and wholesale volumes are positive in numbers. On an environment basis, we have done around 542 kg this year versus around, I think, around 580 plus kgs last year. And I think that is just because of impact of sale of services. Otherwise, retail volumes and wholesale volumes, both are heavily positive to the tune of 25% to 30%.
- Rajendra Pasi:** And as you have mentioned that we are confident to achieve the PAT that we have given in this goal and the previous goals.
- Harit Zaveri:** Yes, sir. The top line would be INR500 crores to INR600 crores as we are looking forward. October has gone pretty well. We are 100% optimistic. Whatever we had set targets for October, we have achieved in full. November till November 15th, things are in order. It is going good. We have got good load in job work that is sale of services right now in hand. Walk-ins in retail stores are very promising.
- We have strong walk-ins. There is a good demand in wholesale. I think quarter three is something that we are all betting on.
- Moderator:** The next question is from the line of Kunal Sharma from SP Capital Financing Limited.

Kunal Sharma: Sir, I just missed your opening commentary. Could you just highlight what was the reason behind this particular -- during the quarter?

Harit Zaveri: I am sorry, sir. What commentary, sir? Highlight the reason for?

Kunal Sharma: The reason behind the softness in the PAT. So could you please throw some light on that particular part?

Harit Zaveri: It is only because of sale of services demand got postponed. In my quarter one earnings call, I had told that quarter one results for the organized retailers were low. The inventory that they loaded for Akshaya Tritiya did not sell through. So after the duty rate cut, the inventory sales for organized retailers are good. That is why we had got a deferred demand. So we had got our load in August, mid or September.

September, October and November will be those months in which our demand is full. So that is why because of deferred demand, the sale of services business got impacted and the bottom line has got hit. We have not managed to increase our bottom line significantly. But in saying that quarter three, we have the demand right now. October is very much in line. November also looks like till November 14th, we are right there.

So I think this quarter should be -- this quarter should be a result quarter, sir. We are expecting, the only hit is because of sale of services business. That is job birth business from organized retailers.

Kunal Sharma: So, what I understood is that because of the custom duty cut where all the organized players' bottom line has been impacted?

Harit Zaveri: Correct, sir. So custom duty rate cuts, bottom line of -- correct. I mean, due to duty rate cut, their bottom lines could have been impacted. But because of slow quarter one, our business was impacted in sale of services for quarter two. Nothing has to do for us as custom duty. Yes, the custom duty rate cut hampered the bottom line of RBZ. But we were saved because of lower book values. So it was an opportunity miss that we can say.

If there was no duty rate cut, we could have shown better pictures or better results also. But ultimately, it has got subsided by good demand. So I think overall, the demand has deferred from quarter two to quarter three in sale of services. That is job birth business.

Kunal Sharma: Okay, understood. So just to follow up on the business strategy, we wanted to understand that we purchase in advance, right? And later on we execute the orders whenever we get from our client, is it?

Harit Zaveri: Yes, sir. I mean when we go for exhibitions or even before the season of festives, we build up inventory. So when we build up inventory for showing it to retailers or in our own retail store, we do it in the month of August or when the IJS exhibitions comes up. And the whole industry is the kickstart of whole industry. Yes, sir.

Kunal Sharma: Okay, understood. So my second question on, so can we go beyond the predefined guidance that we guided of INR35 crores of PAT considering the wedding that we have during the quarter three which is somewhere around 46 to 47 lakh of wedding that is there in India. So is that possible to surpass the predefined guidance that we have been guided for FY25?

Harit Zaveri: Sir, I think quarter three should give most of the answers. We are in a volatile market. I agree that being an occasion jewellery player, what you are quoting is the bang on opportunity for us. We are not into daily wear. We are more into occasion wear. And this is a big opportunity for us. But still, the market is very volatile. Because of external geopolitical environment, sometimes the gold prices rises up and it comes down and it confuses the customers also.

But all put together, wedding is a need-based demand for gold. And quarter three figures should actually tell most of the stories. Let us focus on, I think, first the guidelines. And internally we are all working to achieve more figures. But let us first make sure that we are matching the guidelines, sir.

Kunal Sharma: Okay, understood. Sir, third question on the margin front. If I am not wrong, we are at somewhere around 10%-11% of margin. So is there any scope to go further from the current margin? Are we doing anything to surpass the current margin that we have today?

Harit Zaveri: I think business model actually is more critical when you understand margins. So if the sale of services business goes up, then we have more margins. So if I talk about last year Q2 to last year Q3, you can easily see that Q3 had produced more revenue than Q2, but margins were higher in Q2.

That is because of the sale of services demand went up, was very strong in Q2 last year. So this year Q2 the margin is low because the sale of services demand is low. So with RBZ it is more to look at the business model, that is retail, wholesale and job work.

Or to be more on a broader spectrum, it is sale of goods versus sale of services. So more the sale of services, better will be the bottom line. But I think overall the sale of goods also gives us a very good ROI.

So if you look at ROI, I think all the three sections of business are doing pretty well. So let us focus on Q3. I think margins are more to do with business model, but ultimately as a businessman we look at how much money we can generate from the money that we have. How much we can make from INR100. So I think ROI, Return on Capital Employee, Return on Equity will be something that we as management would look.

Kunal Sharma: Okay, and another question on the retail front that we have a presence in Ahmedabad only. So are we looking to expand our retail vertical?

Harit Zaveri: Right now we have expanded, like in the Q3 we will be expanding one more floor in retail of 3000 square feet. Retail is growing at the right pace. Around 35%-40% or plus is the retail growth right now.

We are hopeful to have this sustained amount of growth for another two years and so. So I think as of now we have got the infrastructure of retail which is ready for at least INR500 crores-INR600 crores of top line. So let us work through that.

And once we are through with this top line, we will have our views forward. We are also very optimistic about the B2B front. Because the more the retailers are getting into IPOs, indirectly it is going to help the wholesale business also.

And both of the fronts are seeing good demand in place. Being volume positive as a company in this kind of an environment where the gold price has risen by 25%, almost speaks of company's efficiency too and the demand which is already there in the market. We are doing pretty good sir. Quarters 3 should be more or less saying it all.

Kunal Sharma: So in Ahmedabad we have opened one more store?

Harit Zaveri: No sir, not one more. We have added a floor space of around 3000 square feet.

Kunal Sharma: Ok, understood. And how many stores that we have in retail side within the Ahmedabad or out of Ahmedabad if we have?

Harit Zaveri: Sir, we have one flagship store of around 11,000 square feet. And from that we are expecting a revenue of around INR500 crores-INR600 crores. That is the capacity of the store. And I think this year we will be doing around INR250 crores or so in retail. So I think we have pretty much two years more to go about with the same store. And let us see after that sir.

Kunal Sharma: Ok. And the last question on if you could share inventory days or working capital cycle days. And if you could share the trend as well.

Harit Zaveri: So last year the inventory days were around 313 days. And it was because of the pile up of stock that we did and the funds coming in of IPO. The IPO procedure that was used in working capital. Right now it is 198 days. So we have improved on the inventory working capital days or the cash conversion cycle has already improved. And I think this year we are almost the inventory turn and the inventory days are as what fiscal 23 year showed like.

So there were questions that the inventory days are very high. But it was just because of the IPO proceeds coming in and we were building our stock for that matter. And the stock once realizes which have realized in this quarter 1 and quarter 2. We are again back to track with inventory turnover and better inventory turnover and better working capital days.

Kunal Sharma: And how much cash that we have in our balance sheet?

Harit Zaveri: I think we are talking about cash conversion cycle. So cash conversion cycle is from 313 days to 220 days.

Kunal Sharma: No, I am talking about the cash, the net cash in balance sheet.

Harmil Shah: Net cash will be around INR14 crores, cash and bank balances.

Kunal Sharma: Ok, ok. So is there any plan to another fundraising or that we have a sufficient cash according to you?

Harit Zaveri: I think this is the year of performance. Whatever we had committed to investors while raising the funds. We should do it with 100% financial integrity. We have brought in SAP, an accounting software. And let us see for this year. Yes, the company has got a very good opportunity for growth in all the coming years. We are seeing a very strong transformation happening in the industry. And we have got in a good demand.

So after this financial year, we will be thinking in that direction. But as of now, for this year, we want to focus on our operation efficiency and tightening of all the departments and tightening of schools that we can. This is the year of performance. Whatever money that we have taken from investors, we want to make sure that on each and every front, we deliver what we have committed.

Kunal Sharma: So just a last question from my side. The gold price has been corrected to almost 9% from the high. So can we see a better positive going forward in our business or in terms of inventory as well? So did we buy low price of inventory or low price of gold when they have been corrected? So can we see that kind of positivity in our business?

Harit Zaveri: See I agree that gold prices are right now lower than what we have seen a month ago. But we do not know where the bottoms are and we do not know where the high is. So generally, we buy gold on the basis of demand that we forecast. And I think the demand is pretty well. All our funds are into gold. All our inventory is of majorly gold.

I think this should, the prices rise or price decrease is an industry phenomenon. I have been in this industry working for now around 18 years-19 years. This is a cycle that happens. One person who focuses on the fundamentals of business is a much better thing to do. So I think grabbing an opportunity for buying at a lower price is one of the things. But making the fundamentals stronger, focusing on business is what we are doing, sir.

So we do not know where the lows are. We do not know what the high is. We buy how much we are able to sell or how much our demand is, basis on that, sir.

Kunal Sharma: Thank you so much.

Moderator: Thank you. The next follow-up question is from the line of Perna Amanna from P&A Capital. Please go ahead.

Perna Amanna: Sir, this 542 kgs of gold that we have done in volume, is it for H1 or Q2 alone?

Harit Zaveri: H1, ma'am.

Perna Amanna: It is for H1, right? Okay, sir. Thank you.

Moderator: Thank you. As there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Harit Zaveri:

I think Q1 and Q2, the growth in terms of revenue is consistent. We are forecasting the same kind of growth in the coming two quarters. Company is hopeful for achieving the guided numbers of around INR500 crores to INR600 crores in terms of revenue and INR35 crores on the bottom line.

Moreover, company more focuses on developing a fundamental base for a future growth and that is why investment in terms of team building HR resources is done. The jewellery industry is under transformation and RBZ is one of the B2B players that is there early in the picture. We have got marquee clients.

We are working with the key names that are there in the market. We have got a strong opportunity ahead and we are looking for a very strong Q3 and Q4. And perhaps we will meet the committed numbers that we have set. Thank you. 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. Thank you.