



KHAZANCHI
JEWELLERS

Khazanchi Jewellers Limited

Investor Presentation



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

1,08,607.75
FY23 - Avg. Sale Qty

10,000 sq. ft.
Upcoming Showroom

FY23
Total Income - **481.82 Cr**
EBITDA - **16.78 Cr**
PAT - **7.56 Cr**

FY23
ROE- **20.98 %**
ROCE – **18.91 %**

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”

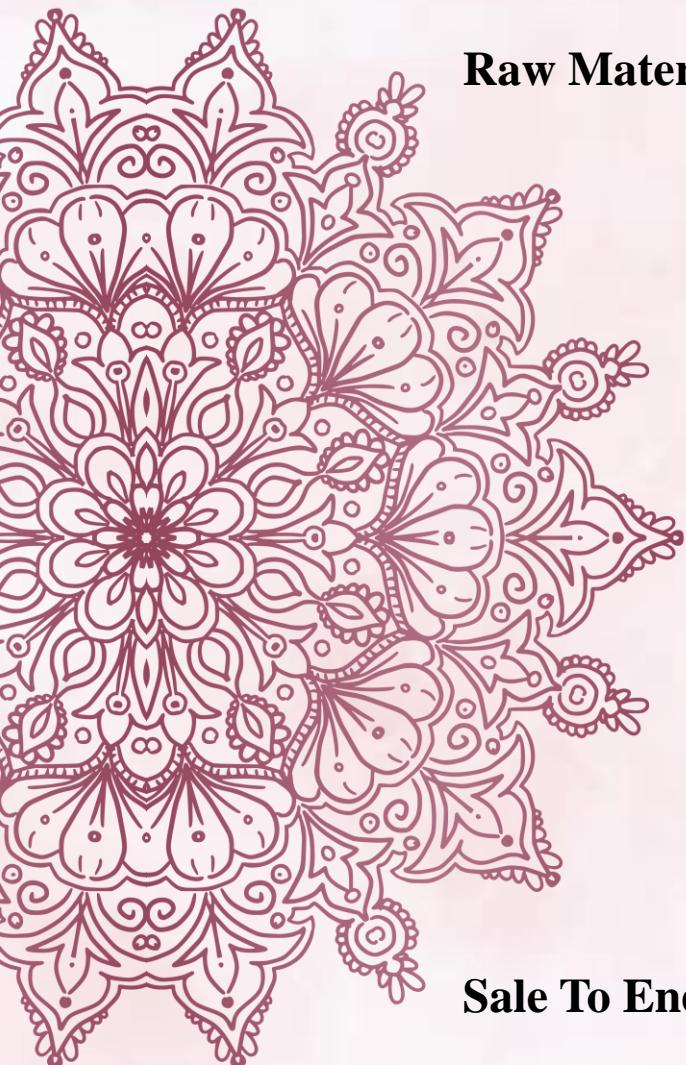
1991

Started With
Silver Store

1998

Shifted Silver
Business To A New
Entity Khazanchi
Silvers Pvt Ltd

2018



Raw Material Procurement

Designing and Manufacturing

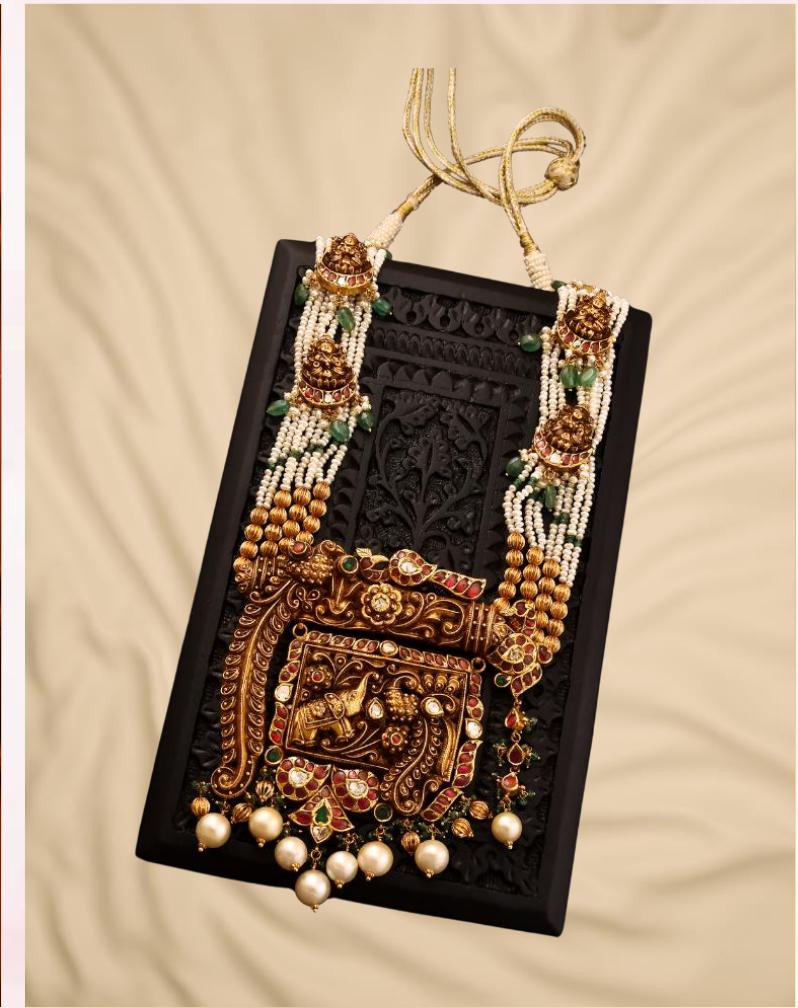
Quality Assurance

Sale To End Customer



Embrace the Gold Symphony

KHAZANCHI
JEWELLERS





Welcome To A World Where Every Adornment Is A Testament To Unrivaled 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

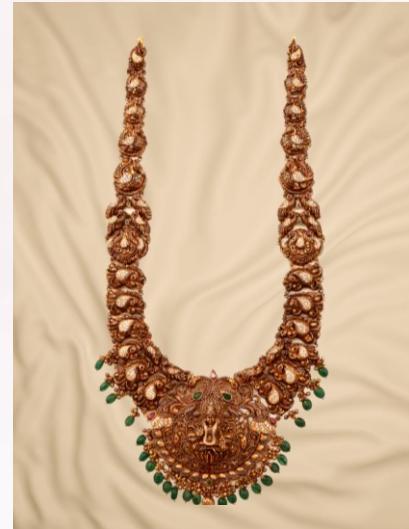


Kerela Jewellery



Calcutta Jewellery

From Classic To Contemporary



Management Overview



Brief Profile Of The Management



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. 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.

Key Managerial Personnel



Mrs. Bijal Durgavale

Non-Executive Independent Director

She is a member of the Institute of Company Secretaries of India.

At present, she is working as a Company Secretary of AVI Products India Limited.

She also holds a Master of Commerce (M. Com) degree from Mumbai University in Accounts.

She has eleven Years' Experience in Secretarial and Compliance related activities



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

Indian Jewellery Landscape: Gold's Dominance & Market Dynamics

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

India is the second largest gold jewellery consumer in the world. In 2021, India bought 611 tonnes of gold jewellery, second only to China (673 tonnes), but comfortably ahead of all other gold-consuming markets, according to the 'Jewellery Demand and Trade' report released by the World Gold Council on January 19, 2023.

Plain gold jewellery accounts for 80-85 per cent of the market share, the majority of which is 22-carat gold, although the market for 18-carat gold jewellery is also growing. Jewellery used in daily wear accounts for 40-45 per cent of the market, the report added.

Demand for gold jewellery has remained steady at 700-800 tonnes over CY2017-2021, as people buy gold to mark new beginnings, birth, festivals and weddings

Majority of gold demand in India is linked to weddings, as buying gold jewellery for an Indian bride is based on the concept of Streedhan

Additionally, Indian temples own significant quantity of gold, which is offered to the temple deities by devotees

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

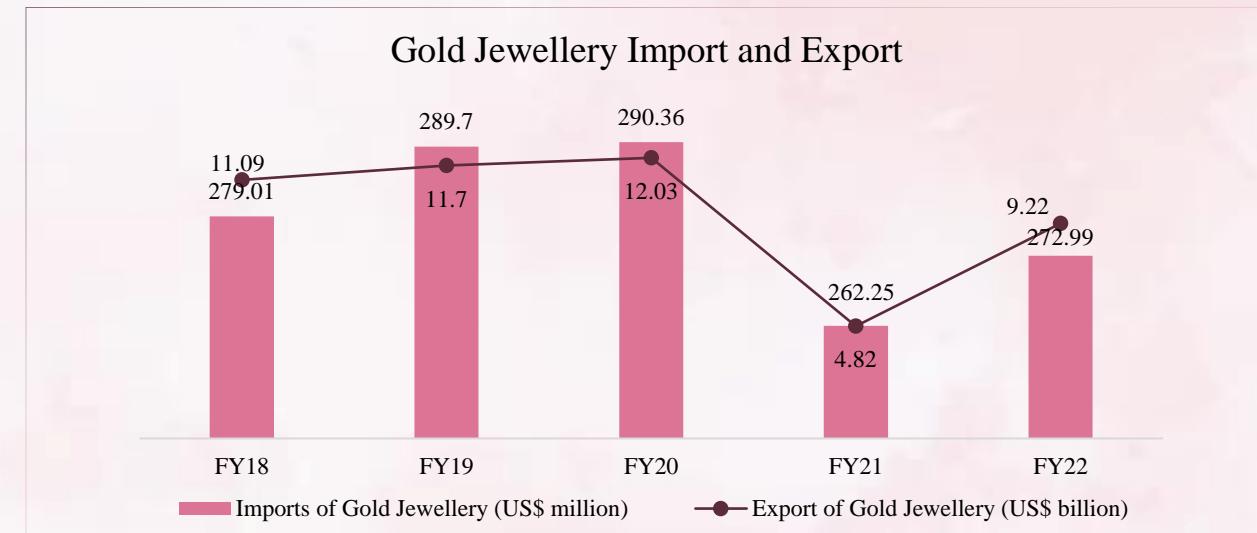


Source: [cnbctv18](http://cnbctv18.com), gold.org

Gems and Jewellery Landscape: Market Dynamics & Government Initiatives

India's total gems and jewellery exports reached US\$ 37.73 billion in 2022-23. From April-December 2022, India's gems and jewellery exports were at US\$ 28.6 billion, a 6.28% rise compared to the previous year's period.

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

- 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.
- Reduction in import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Pallidum (from 12.5% to 10%) to bring down local market prices.
- 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.

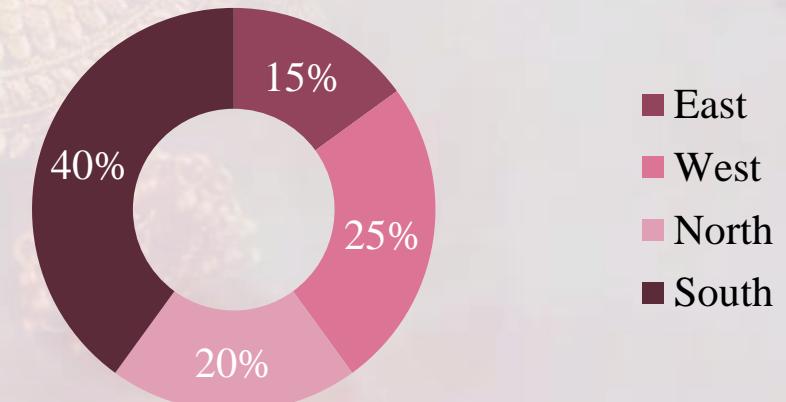
Seasonality In Jewellery Buying - Done

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

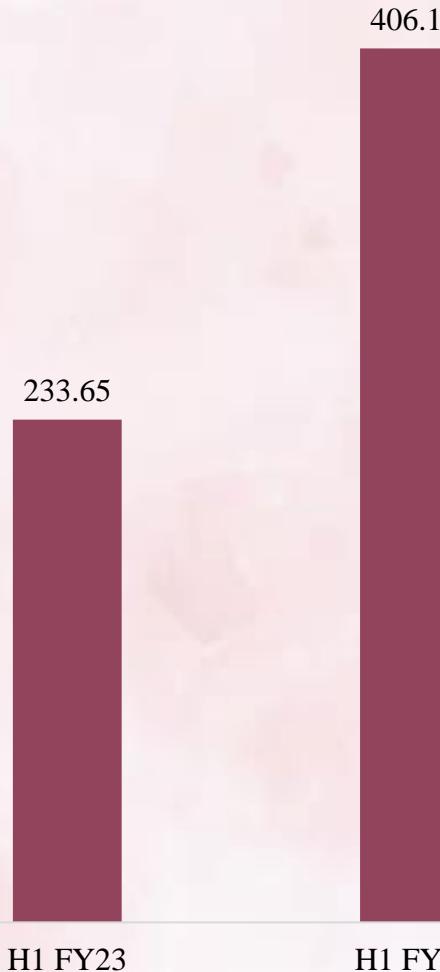
Regionwise Gold demand in India



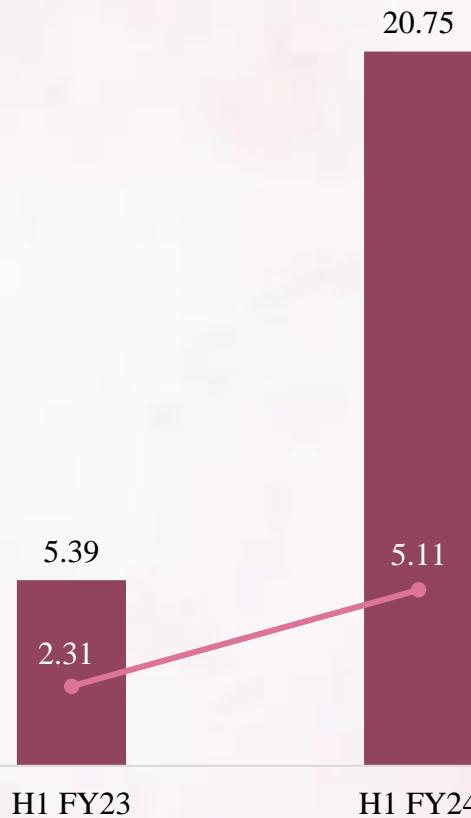
Financial Overview

H1 FY24 Key Financial Highlights

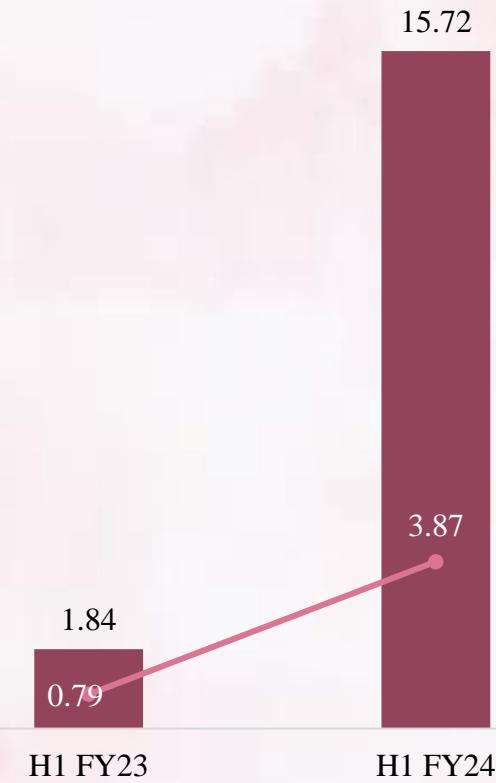
Total Income



EBITDA **EBITDA (%)**



PAT **PAT (%)**



All Figures In ₹ Cr & Margin In %

H1 FY24 Profit & Loss Statement

In ₹ Cr

Particulars	H1 FY24	H1 FY23	Y-O-Y Growth
Revenues	405.77	233.22	
Other Income	0.38	0.43	
Total Income	406.15	233.65	73.83 %
Raw Material Expenses	383.39	227.36	
Employee costs	0.55	0.32	
Other expenses	1.46	0.58	
Total Expenditure	385.40	228.26	
EBITDA	20.75	5.39	284.97 %
Finance Costs	2.41	2.86	
Depreciation	0.11	0.04	
PBT	18.23	2.50	
Tax	2.51	0.66	
PAT	15.72	1.84	754.35 %
EPS	6.35	1.85	450 Bps

Key Financial Highlights

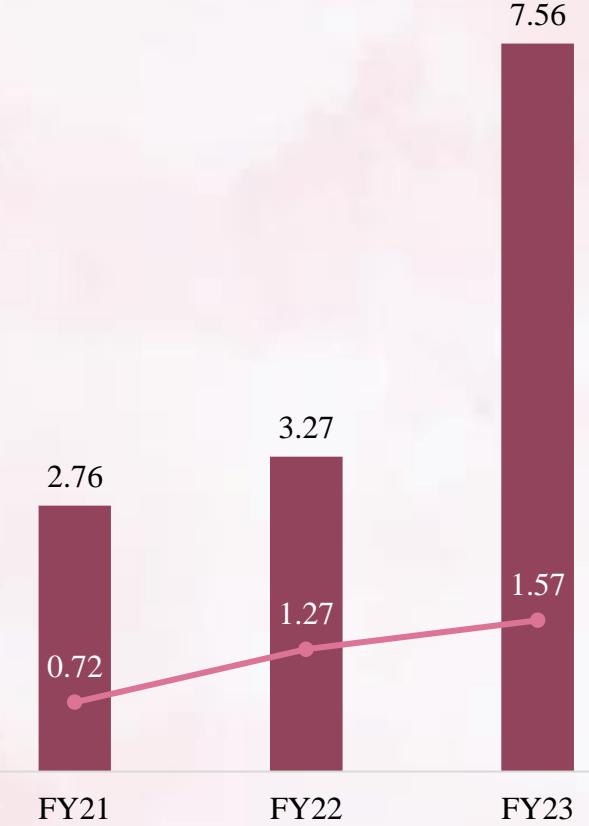
Total Income



EBITDA **EBITDA (%)**



PAT **PAT (%)**



All Figures In ₹ Cr & Margin In %

Profit & Loss Statement

In ₹ Cr

Particulars	H1 FY24	FY23	FY22	FY21
Revenues	405.77	480.66	256.94	381.81
Other Income	0.38	1.16	1.05	0.62
Total Income	406.15	481.82	258.00	382.43
Raw Material Expenses	383.39	462.63	245.21	367.20
Employee costs	0.55	1.09	0.76	0.71
Other expenses	1.46	1.31	3.50	6.31
Total Expenditure	385.40	465.04	249.47	374.21
EBITDA	20.75	16.78	8.53	8.22
Finance Costs	2.41	6.44	4.23	4.51
Depreciation	0.11	0.07	0.09	0.06
PBT	18.23	10.27	4.21	3.64
Tax	2.51	2.71	0.95	0.88
PAT	15.72	7.56	3.27	2.76

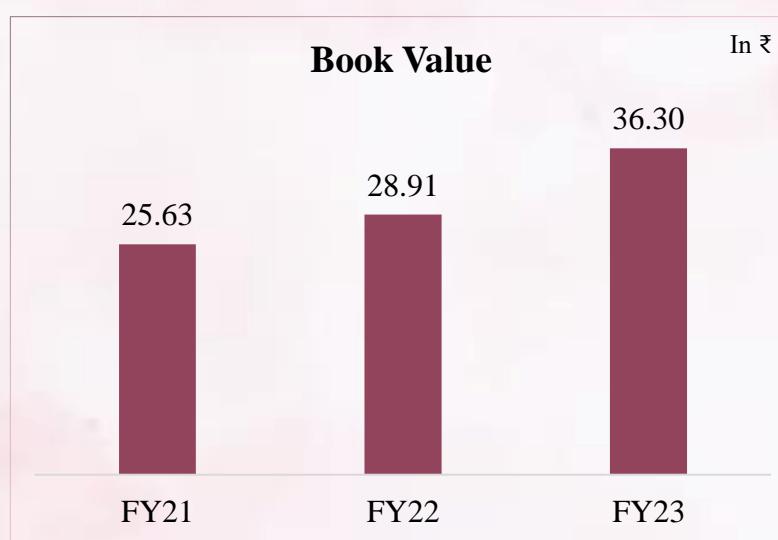
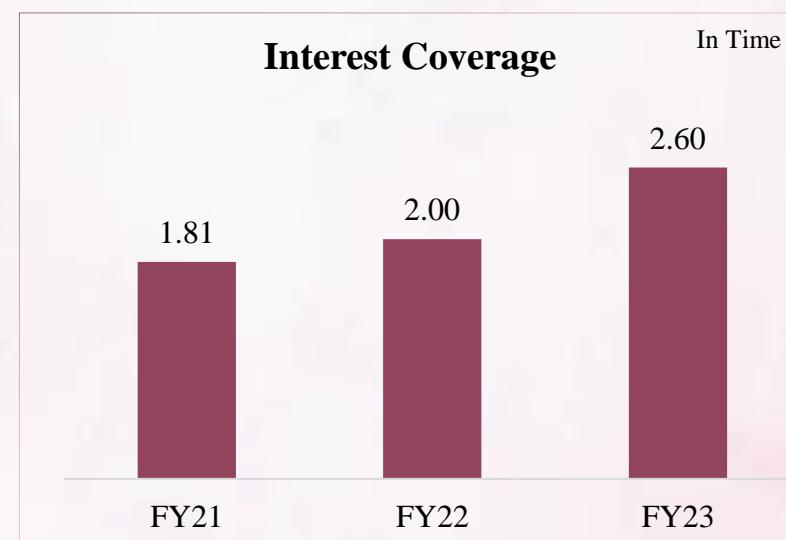
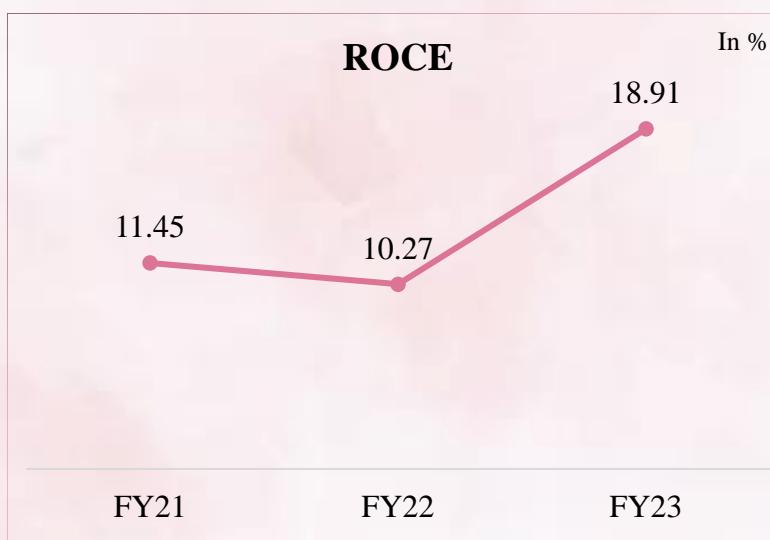
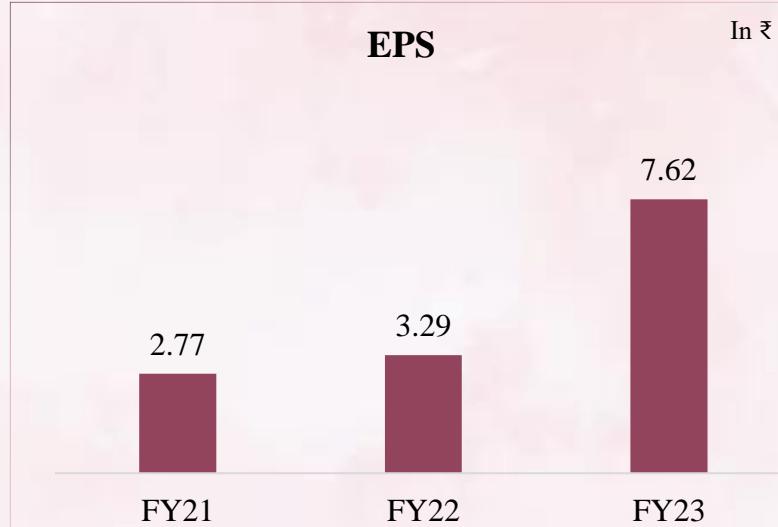
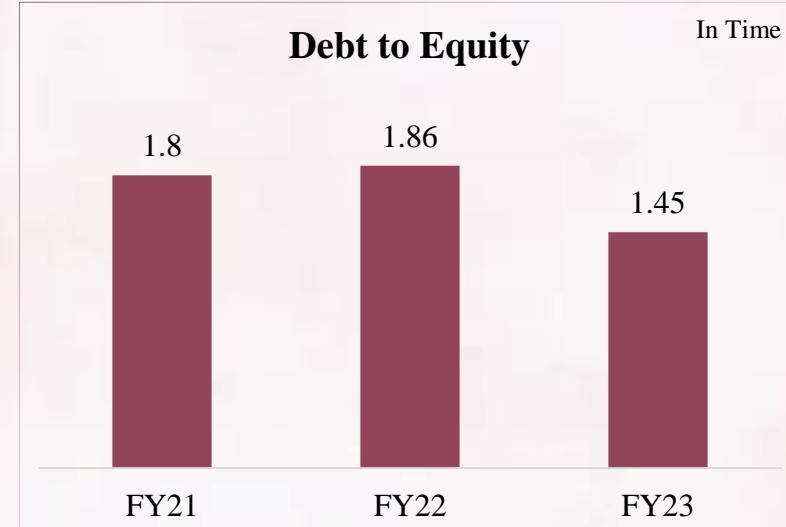
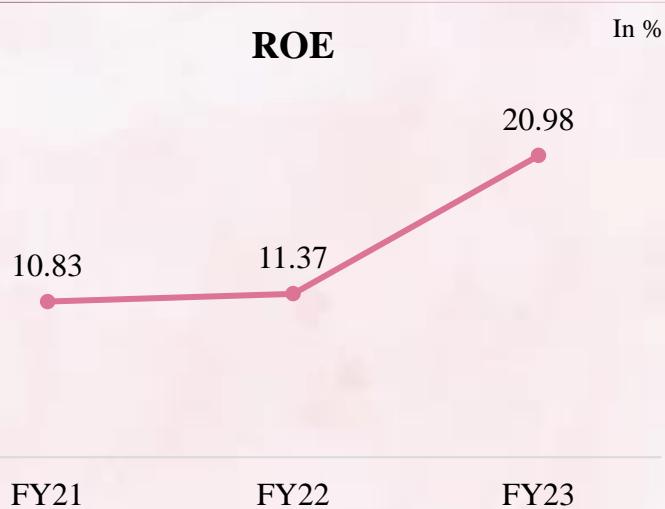
Balance Sheet Statement

In ₹ Cr

Equities & Liabilities	H1 FY24	FY23	FY22	FY21
Equity	24.75	9.93	9.93	9.93
Reserves & Surplus	151.41	26.12	18.78	15.52
Net Worth	176.16	36.05	28.72	25.45
Non Current Liabilities				
Non Current Borrowings	18.56	52.30	53.52	45.77
Lease Liabilities	0.00	0.00	0.00	0.00
Deferred Tax Liability	0.00	0.00	0.00	0.00
Long Term Provision	0.21	0.21	0.00	0.00
Total Non Current Liabilities	18.78	52.51	53.52	45.77
Current Liabilities				
Current Borrowings	27.67	32.33	30.61	29.03
Lease Liabilities	0.00	0.00	0.00	0.00
Trade Payables	-1.69	22.84	11.01	12.26
Current Tax Liabilities (Net)	0.00	0.00	0.00	0.00
Short Term Provisions	2.62	0.95	-0.23	-0.04
Other Current Liabilities	-0.20	0.39	0.74	0.72
Total Current Liabilities	28.41	56.51	42.13	41.98
Total Liabilities	223.35	145.07	124.36	113.20

Assets	H1 FY24	FY23	FY22	FY21
Non Current Assets				
Fixed assets	13.69	12.81	12.66	8.85
Non Current Investments	0.00	0.00	0.00	0.00
Other Non Current Financial Assets	0.01	0.01	0.01	0.01
Deferred Tax Assets (Net)	0.04	0.03	0.03	0.02
Other Non Current Assets	1.87	1.03	0.00	0.00
Total Non Current Assets	16.60	13.88	12.70	8.88
Current Assets				
Inventories	172.94	128.07	106.01	101.30
Trade receivables	29.36	2.02	3.31	0.69
Cash & Bank Balance	1.46	0.27	1.62	1.56
Other Current Financial Assets	0.71	0.71	0.71	0.77
Current Tax Assets (Net)	0.00	0.00	0.00	0.00
Other Current Assets	2.28	0.12	0.00	0.00
Total Current Assets	206.75	131.19	111.66	104.31
Total Assets	223.35	145.07	124.36	113.20

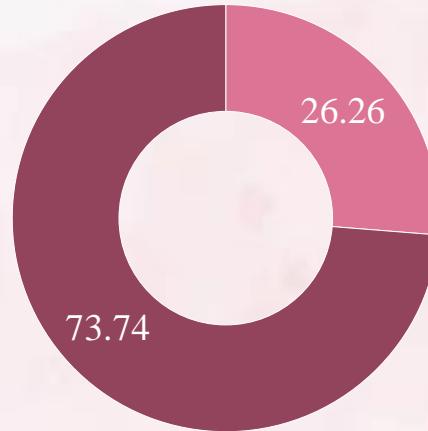
Key Ratios



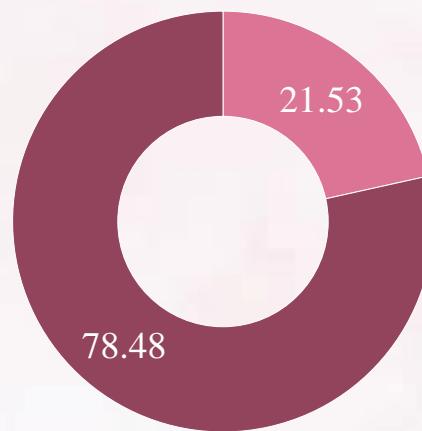
Product Wise Revenue Bifurcation

In %

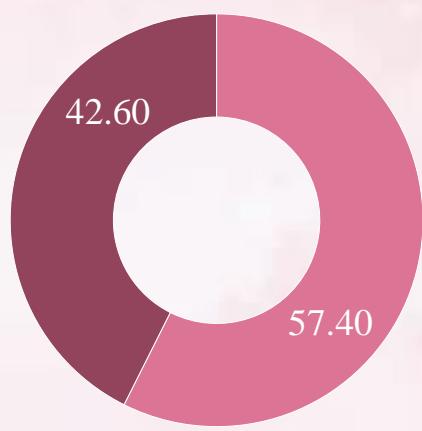
FY23



FY22



FY21



 Ornaments  Bullions

In ₹ Cr

Particulars

FY23

FY22

FY21

Ornaments

354.42

201.64

162.64

Bullions

126.24

55.31

219.18

Total

480.66

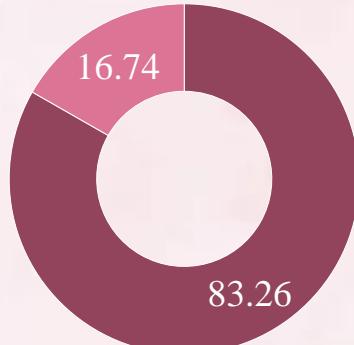
256.94

381.81

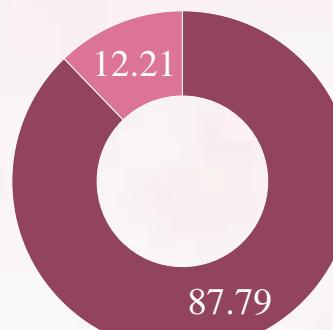
State Wise Revenue Bifurcation

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

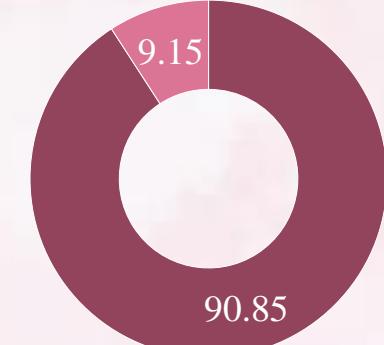
FY23



FY22



FY21



In %

 Tamil Nadu  Other Cities / States

In ₹ Cr

Particulars	FY23	FY22	FY21
Tamil Nadu	400.22	225.56	346.89
Other Cities / States	80.44	31.38	34.92
Total	480.66	256.94	381.81

Stock Information



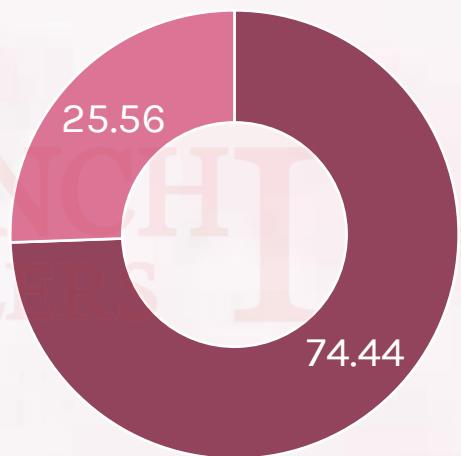
As on 06-03-2024

As on 31-01-2024

BSE: INE0OWC01011

Share Holding Pattern

Share Price (₹)	319.95
Market Capitalization (₹ Cr)	791.77
No. of Shares Outstanding	2,47,46,900
Face Value (₹)	10.00
52 Week High (adjusted) - (30/01/2024)	362.00
52 Week Low (adjusted) - (07/08/2023)	142.30
Month H/L	344.95 / 302.00
Week H/L	327.00 / 302.00



- Promoter & Promoter Group
- Public

Share Performance From 7th August 2023 Till Date



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

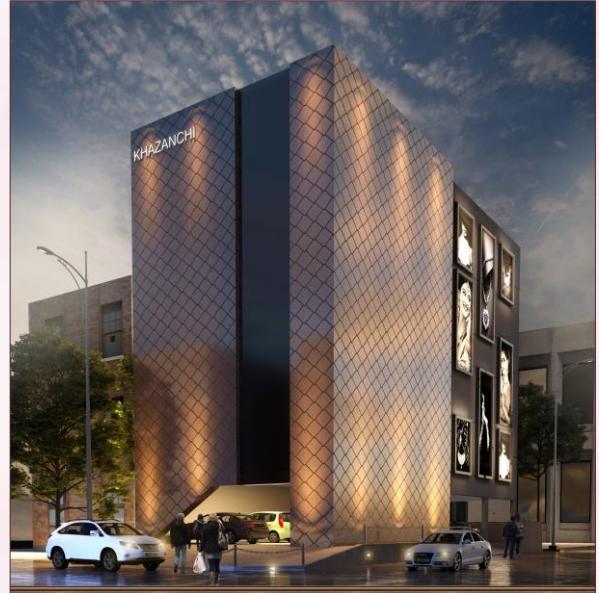
Acquired 304.50 sqm land at NSC Bose Road, initiating preliminary construction stages for the showroom

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

Safe Harbour Statement

This presentation and the accompanying slides (the “Presentation”), which have been prepared by Khazanchi Jewellers Limited (the “Company”) solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment what so ever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

This Presentation has been prepared by the Company based on information and data which the Company considers reliable, but the Company makes no representation or warranty, express or implied, whatsoever, and no reliance shall be placed on, the truth, accuracy, completeness, fairness and reasonableness of the contents of this Presentation. This Presentation may not be all inclusive and may not contain all of the information that you may consider material. Any liability in respect of the contents of, or any omission from, this Presentation is expressly excluded.

Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantee of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict.

These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks.

The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

Thank You



Khazanchi Jewellers Limited

130, NSC Bose Road,
Dhanalakshmi Complex
Sowcarpet, Chennai- 01.

E-mail: info@khazanchi.co.in
Phone: +91 44 4201 5915
Website: www.khazanchi.co.in



Kirin Advisors Private Limited

713-B, Lodha Supremus II,
Wagle Estate,
Thane West – 400 604

E-mail: info@kirinadvisors.com
Phone: 022 4100 2455
Website: www.kirinadvisors.com

