Management Discussion

Anupam Tibrewal - Chairman and Managing Director, Pushpa Jewellers Limited
Hello.

Operator
Please proceed. Yes.

Anupam Tibrewal - Chairman and Managing Director, Pushpa Jewellers Limited
Yeah. So good evening, everyone, and thank you for joining us. On behalf of the management team, I would like to welcome all our investors, analysts and partners to Pushpa Earnings Call for the First Half of FY27. The first-half of FY27 have been a strong period for jewelers. Demand from our dweller partners remained healthy through the half. Our design caplog continued to grow and we extended our reach into new markets.

A large part of this demand comes from the way jewelry buying is changing. With gold prices at elevated levels, consumers are looking for designs that offer a complete look at a more accessible price and jewelers are looking for partners who can supply such pieces reliably. This is the space we designed for.

Our lightweight 22 carat and 18 carat jewelry is engineered to use significantly less gold while retaining the look of a traditional piece, which allows our partners to offer attractive designs to their customers even in a high gold price environment. Design remains at the center of our business.

Our team continued to add new lightweight designs to the catalog during the half, supported by our CADCAM capabilities and our long-standing network of skilled carriers in Kolkata. Every design carries a unique code, which allows dwellers to reorder with ease and exhibitions remain an important way for us to meet new dwellers and introduce fresh collections.

Coming to our financial performance, for H1 FY27, on a standalone basis, total income stood at INR314.16 crore, a growth of 82.85% year-on-year from INR171.82 crore in H1 FY '26. EBITDA grew 59.79% year-on-year to INR26.69 crore with an EBITDA margin of 8.50% compared with 9.72% in H1 FY '26 as higher gold prices increased the value of our sales, net profit grew 83.27% year-on-year to INR20.21 crore with net profit margin steady at 6.43%.

With that, I will hand over to.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Thank you, Anupam, and good evening, everyone. As Anupam mentioned, demand of our designs remained healthy during the first-half of this financial year. So let me take you through how we are widening our reach and preparing the business for the season ahead. Since first-half was the preparation for the season, which is the second-half is the main season.

Let me start with our distribution alongside a strong base in South India. We are steadily widening our presence across the country. During the half, we commenced operations at our new B2B trade fulfillment center in Mumbai, one of our India's key jewelry trading hub, which brings us closer to our regional retail and corporate clients.

Ahmedabad and Code are our next locations we have identified for expansion. Our relationships with dwellers continue to deepen. A large share of our business comes from existing customers who return to us season after season, while new accounts continue to come in through exhibitions and our expanding reach.

As our client base grows, our business is also becoming less dependent on any single customer, which adds to the stability of our growth. We have also prepared for the season ahead. We have built our inventory during the half to meet the demand we foresee in the festive and wedding months and our Board has authorized a committee of Directors to identify and acquire commercial premises to support the next phase of expansion.

At the same time, we are implementing an ERP system to strengthen our process integration, financial controls and approval workflows as our volumes grow. The environment for organized and compliant players continues to grow as hallmarking norms and the formalization of the jewelry trade lead to work with trusted B2B suppliers. With healthy demand and wide base of jeweler partners, we enter the second-half on a strong footing and our focus will be on the serving the festive and wedding season well, widening our distribution footprint, introducing fast lightweight designs and improving operational efficiency.

I would like to thank our, employees, Joella partners and bankers for their continued support and all our investors for their trust in.

With that, we would like to happily take any of your questions.

Questions & Answers

Operator
Thank you very much. We will now begin the question-and-answer session. [Operator Instruction] Thank you. The first question is from Mister Amit Kumar as an individual Investor. Please go-ahead.

Amit Kumar - Analyst, Individual Investor
Yeah. Good afternoon.

Anupam Tibrewal - Chairman and Managing Director, Pushpa Jewellers Limited
Good afternoon.

Amit Kumar - Analyst, Individual Investor
Yeah. So sir, I have a question regarding the margin, which fell to fell from 9.72% to 8.5%. So even though the revenue growth which will -- which grew at like 83%, what was the mainly like reason for this?

Anupam Tibrewal - Chairman and Managing Director, Pushpa Jewellers Limited
Can you repeat your question once again?

Amit Kumar - Analyst, Individual Investor
Yeah. So the EBITDA margin that has fallen to 82.5% from 9.72%, even though the revenue grew at around 83%. So what was the main reason for that?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Okay. So I would first like to answer the question. Our revenue, we run the business in kilograms and we do not give the guidance on numeric guidance on the revenue or margin. Our H1 revenue was INR314 crores. Okay. And just. Your question was my EBITDA has grown, yes.

Amit Kumar - Analyst, Individual Investor
No, no. So my question is that EBITDA margin, it has fallen to 8.5%. So -- but the revenue, it has

grown to around 83%. So what is the main reason for that? That is my question.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Okay so our per gram gross profit rose from 1,332 to INR1,775 and EBITDA from INR1,000 to 1280 in rupee terms. So it is more profit on every gram. Okay. So we build gold at today -- today's rate plus a wastage percentage. That depends on the design to design. Out of that, we pay to the carriers. And so the percentage margin is lower for two reasons. That is what you want to understand, right?

Amit Kumar - Analyst, Individual Investor
Yes, yes.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So the percentage margin is lower for -- because the gold is up 47%. So the revenue rose faster than our earnings per gram. Our making charge is about 10% of gold value, a little lower than last year. So we grew with larger buyers. Our -- yeah. So our volume growth is there. We have grown volume-wise 25% and new cost for growth, we have opened our Mumbai center and Vijawada Center and bigger sales and bigger designs.

So since we have launched more than 2,000 designs in this first-half. So more designs and more centers. So that is also taking our cost.

Amit Kumar - Analyst, Individual Investor
Okay. Okay.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So also if you see our employee cost has gone up from 2.6 to CR to 3.74 CR and other expenses have also increased from 3.71 cr to 6.62 cr.

Amit Kumar - Analyst, Individual Investor
Yeah. So what are those other expenses? Like is it mainly the raw materials

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Like -- except the raw-material because raw-material price is volatile here. So what are -- what is the main like other expenses in here? So other expenses is mostly because of the carrier labor, Korea charge and exhibition cost and it rose other expenses is mostly because of this.

Amit Kumar - Analyst, Individual Investor
Yeah. Okay. Okay. So what is the margin range that we can expect like in the long-term?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Okay. So in the long-term, we plan to maintain this particular margin, but everything is dependent upon the markets. But currently as per the market sentiment and the gold prices have gone down, so we expect to have these -- these margins as continuing going-forward. Yeah.

Amit Kumar - Analyst, Individual Investor
So just one thing I want to know that -- so since the price has gone down of the gold right now, so are you planning on purchasing on a huge quantity like creating more inventory, do you like -- is it feasible to increase the inventory and then sell it at a high-margin at next maybe next quarter or maybe after a few days when the market price and the coal price will be up. So.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
We don't -- we don't -- we don't work like that. So our model is like we maintain our inventory. And whenever we sell anything and we have the rate cut with the client, we immediately buy the similar amount of inventory and we maintain our inventory stock. So this is how we secure ourselves. This is how we -- you can say we hedge ourselves. So that is how we are able to maintain our inventory year-on-year.

Amit Kumar - Analyst, Individual Investor
Okay. So one more thing. I just wanted to understand about the like revenue that have grown. So like could you split the 83% revenue growth between the higher gold prices and actual growth in kilograms sold?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So we sold 208.5 KG in H1 against 167 kg KG in the previous H1. So volume is up 25%. This is what you wanted to know, right?

Amit Kumar - Analyst, Individual Investor
Yeah. So what we wanted to know is that in FY '26, the volume that fell to 343 KGs from 356 kg to whether the volume has started growing again, that is.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Yes, yes yes, yes. So as you can see, volume has started to grow again and also the realization was up and the 25% of the growth has come from the volume growth.

Amit Kumar - Analyst, Individual Investor
Okay. Okay. Okay, okay. Okay. Okay, sir, thank you for answering. I will be joining back-in the queue.

Operator
Thank you, sir. Thank you. The next question is from Abhishek from Family Office. Please go-ahead, Mr Abhishek.

Abhishek - Analyst, Family Office
Yeah, hello. Good evening, sir. Am I audible?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Yes. Yes, audible.

Abhishek - Analyst, Family Office
Yeah. I just have a couple of questions. So on the receivable side, our receivables have went up from 35 to almost 54 in last six months. So what is the credit period that we are giving to?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So the receivables are about 30 days of the sales. Okay. At 30th of September, receivables, if you'll see, it is 42.2 cr within 30 days and 9.4cr is between 31 to 60 days. So only 2.14 CRA is beyond 60 days, that is about 4%. So I would say receivables are about 30 days of sales. And credit terms, we aim for seven days. Large corporate clients get 15 to 30 days and. No customer large or small gets more than 30 days.

Abhishek - Analyst, Family Office
Okay. And going-forward, this will be other credit policy. So we will not be losing the collection terms.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
No, no, we have actually we have started to improve on that and very soon, hopefully we'll see that in our year-end financials.

Abhishek - Analyst, Family Office
Okay. And on the borrowing side, so what's the current short-term debt that we have?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So the current just on set so our working capital line is an overdraft of 30CR with ICIC bank and as of 30th September, we have only used 18.6c out of that and it is for mainly borrowing purchasing the pool, right? Yes, yes, it's only for that.

Abhishek - Analyst, Family Office
Yeah. Yeah. And what is the interest-rate on the overall rate?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
On overall, I would say it's approximately 9% approximately, but we are negotiating to reduce it further.

Abhishek - Analyst, Family Office
Okay. And how much more debt you are comfortable with?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
How much more debt we are comfortable with? So debt, we are generally not taking any more debt for working capital. So we don't plan to take any more debt for the working capital, but seasonally -- seasonably we keep a buffer of around INR15 crores to INR18 crores for -- so that when the season or when the peak demand hits us, we have some kind of a buffer amount with us so that we can serve the clients. And in the short-term, if we take any debt, that is only we have taken INR100 crores of permission and that ceiling we have only taken to acquire some office space because we are a growing company and we are growing at a speed.

So our current office is already falling short and we didn't want to buy office space again and again and we didn't want to shift the office again and again because our employees are all located in this particular area in Calcutta and we needed a space which we can plan for the next five to 10 years.

So the -- so we plan to use around 50 cr of that amount in the next three years for purchase of the space only.

Abhishek - Analyst, Family Office
Okay. And sir, gold prices are fluctuating quite rapidly. So what is the policy for the inventory? And what share of your stock is?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So gold -- gold price is fluctuating. So that is why we have realized that the only the best policy that has been -- that jewelers have been following for ages is like we buy the same amount of inventory that we sell. So if we are supposing, for example, if you are selling 100 grams of inventory and the

moment the client fixes the rate, we buy the similar amount of inventory, so that at the same prices, so that we are not at a loss. We don't want any profit out-of-the gold hedging and we don't want any kind of a loss so that our inventory is maintained. And that is the key to any future growth.

Abhishek - Analyst, Family Office
Okay,, sir. Thank you. That's all.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Thank you.

Operator
Thank you, sir. The next question is from Sejal from Apex Capital. Please go-ahead.

Sejal Deshmukh - Analyst, Apex Capital
When the gold price drops sharply after you have bought inventory hikes, so how do you keep your margins intact?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Okay. So you mean to say the current gold prices are going down?

Sejal Deshmukh - Analyst, Apex Capital
Yes, sir.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So if you are speaking in context of current gold prices, so I'll just tell you that whenever the gold prices go down, the sales increases. So if you are losing on a per gram of margin that is realization for per gram, then we are setting off that on volume sales. So volume sales increased like for example, in H1 volume sales increased 25% and you can say because the gold prices were already softening.

So the lower the gold prices go, the demand and the sales increases also manifold. Am I? Am I audible. Yeah, sir, how has your did I answer your question?

Sejal Deshmukh - Analyst, Apex Capital
Sorry. Did that answer your question? Not completely satisfied, but that's okay, sir. My next question.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
No, no, please. Please if I'll try to answer it.

Sejal Deshmukh - Analyst, Apex Capital
Yes, okay. But and My next question is that I was in response Mumbai Central open.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Your voice, madam, your voice is actually not audible. Sorry.

Sejal Deshmukh - Analyst, Apex Capital
There was such color response thing since the Mumbai B2B center opened in August and how much did it add to H1?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So the Mumbai center opened on 4th of August and it had only two months in the first-half and from 4th of August, there were lot of compliances and lot of things that we had to do go through. So more or less we have only done 65 lakhs of sales as of first-half so it is not yet a major contributor to our company.

Sejal Deshmukh - Analyst, Apex Capital
Okay, sir. [Technical Issues] And when will they start contributing meaningfully to revenue?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So we plan to open our Ahmedabad and branches within April to June 2027 quarter and each what was your? What was your follow-up question?

Sejal Deshmukh - Analyst, Apex Capital
When they will start contributing meaningfully to revenue?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Meaningfully to revenue in the next financial year itself.

Sejal Deshmukh - Analyst, Apex Capital
Okay. Okay. Thank you, sir. Those are only questions.

Operator
Thank you, ma'am. Thank you, sir. The next question is from Milan Shah as an individual investor. Mr., please go-ahead.

Milan Shah - Analyst, Individual Investor
Hi, sir. My first question is after a strong INR314 crore in H1, how is demand shaping up in festival and wedding season so-far? Could you share some color on how you see the momentum carrying into the second-half?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
I'm not allowed to speak on the forward numbers, but I can just say that the -- it's a very, very good news for the gold market and the jewelry market with the reduction in the gold prices. I think going-forward, we'll see very, very good response across from our jewelry sector.

Milan Shah - Analyst, Individual Investor
Okay. And so inventory rose to INR119 crore around in September ahead of a festival season with Diwali behind us. And could you share how the stock move during the season and how you are positioned for the wedding season.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So inventory rose from 31%, inventory rose 31% while sales rose 84%. So basically stock is turning very fast so basically you can say we are we are really picking-up over here in the last few months and raw gold came down by about 20 cr20 20 crores and finished and in the process jewelry went up to about INR49 crores.

So basically it was for the Mumbai branch also and for the festive designs also. Our stock is bold and a design that does not sell. We just remold it and we try to sell it at a faster pace. That's our main goal.

Milan Shah - Analyst, Individual Investor
Okay, sir. And I can see operating cash-flow was negative in at about INR21 crore in H1 after negative INR51 crore in FY '26. When are you expecting operating cash-flow to turn positive? And what is your targeting working capital cycle in days.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Can you repeat your question?

Milan Shah - Analyst, Individual Investor
So my question is, in H1, operating cash-flow is negative. It are about INR21 crore. And in FY '26 it was around INR51 crore. So when do you expecting operating cash-flow to turn positive?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Just answer. See the today's, today's cycle is just one this one second. Yes, sir, okay so the thing is the gold prices is 50% higher than what was earlier and the same grams and the same stock we have to maintain at 50% higher gold prices. So obviously, our operating cash-flow was affected a bit. And today cycle is about -- today our total cycle is about 97 days and inventory is 68 to 70 days and receivables to 25 to 30 days. We are working on it and we are trying to bring down this to a very feasible earlier like earlier like targets.

Did that answer your question?

Milan Shah - Analyst, Individual Investor
Okay, sir. Got it. That's from my side. Thank you.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Thank you.

Operator
Thank you. The next question is from Adity Jain from Wealth Management Consultancy. Please go-ahead, Mr Adhi.

Aditi Jain - Analyst, Wealth Management Consultancy
Hello.

Operator
Yes, sir.

Aditi Jain - Analyst, Wealth Management Consultancy
Am I audible?

Operator
Yes, pretty much, please.

Aditi Jain - Analyst, Wealth Management Consultancy
Sir, my question is, Board has approved from the showroom for almost INR100 crores for this B2B asset-light business. So what is the purpose of this property and how this will be funded like internal approvals or debt?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So the ceiling was approved just for the enabling, but our actual plan is to spend about and that is mostly within Kolkata in over next three years?

Aditi Jain - Analyst, Wealth Management Consultancy
Okay. So about 92% of FY '26 revenue came from the Southern state. What is your target shape for non-Southern market over the next two, three years and states are prioritizing it right now?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Our current priority is South market only. So -- but we'll go slowly into the North market also. Delhi being one of the major markets we -- which is catering to almost seven sister states. So Delhi NCR region is a big market for us. So that is one market where I think which will help us get into the North markets.

Aditi Jain - Analyst, Wealth Management Consultancy
Okay. And my next question is like how is the making charges for move over the last past year? Do you have any pricing power to raise them or does the competition from other due to the retail manufacturers hold them back?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Can you repeat your question?

Aditi Jain - Analyst, Wealth Management Consultancy
Sir, I asked like how the making charges per gram moved over the past year? So do you have any pricing power to raise them?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Yes. So the competition at current -- current making charges, it was like for the past few years, the gold prices were only going northwards, it was only rising. So because of that, there was a huge pressure on all of the market excuse me. So huge pressure on all of the market to reduce the -- the margins because obviously the pressure was coming on the margins because the gold prices were going up.

Now there has been a consolidation and the prices have finally reached a point from where I don't think there is any downside in the margins.

Aditi Jain - Analyst, Wealth Management Consultancy
Thank you for the answers.

Operator
Thank you. The next question is from Ashish Malani from Malani Family Office. MR. Ashish, please go-ahead.

Ashish Malani - Analyst, Malani Family Office
Hello, am I audible?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Yes, you are audible.

Ashish Malani - Analyst, Malani Family Office
Sir, I had questions on a couple of things. One sir, wanted to know what is the nature of related-party transactions that we have with dwellers and the scale of it. And second is that the Board had recently approved up to INR100 crores of investment for property or expansion showroom in Mumbai. So just wanted to know the perspective on that or what makes you take that kind of capital allocation decision and what kind of returns are you looking from From that? Is it really like operative and it is up to 100 crores, so we don't know more, if you can just enlighten us?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Just on that so your first question was about, right?

Ashish Malani - Analyst, Malani Family Office
Right, right.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So it's a, it's a promoter group company and its directors are Ranjana and Nihat Igrawal. And our dealings are -- with it are very, very small. And what was your follow-up question? Can you repeat, Ashish?

Ashish Malani - Analyst, Malani Family Office
So from what I understand, I think 2025 our dealings with was around INR40 crores and then the Board had approved for up to INR100 crores in related-party transaction.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
No, no, no, no. No, no. Our total dealing with was only INR4 crores.

Ashish Malani - Analyst, Malani Family Office
Okay. Okay.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Yeah, yeah. And our deals other than that and that too, we just bought some gold from, that's it. And everything was done, yeah, everything.

Ashish Malani - Analyst, Malani Family Office
So I just wanted to understand the nature of business. So you bought gold from Lagon.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So basically, basically that was our -- that was our -- we wanted to get into retail via maybe lab grown or some other -- some other jewelry. So that was our endeavor we were trying, maybe we can enter retail via that company but I we have not done as of yet. So it's a -- it's somewhere in the future maybe someday.

Ashish Malani - Analyst, Malani Family Office
Got it, got it. Got it. Thank you. And can you please tell us about this investment that you're planning to make?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Which investments?

Ashish Malani - Analyst, Malani Family Office
The Board had recently approved of INR200 crores of investment into property.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Okay, I had already answered to some gentleman before., I'll answer you again. So basically, so we had taken INR100 crores of ceiling. It was an enabling approval because every time we had to do a Board meeting and all that. But our plan is to invest up to INR50 crore in buying property within Kolkata only. And this is the office property because once we set-up our accounts, our team are like complete sales production every team and then shifting office is a very, very big pain because team doesn't shift. We will have to buy the office in the same locality and that becomes very, very difficult. So that is why we are trying to build an office for future where we can stay for the next five to 10 years.

Ashish Malani - Analyst, Malani Family Office
Okay. But then this is a very-high cap big capital allocation decision like currently your business already has its own working capital needs for some of which you also need to borrow. So funding a INR50 crore, something like that, how do you plan to fund it?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So we are not planning to fund it from our internal accruals. We are planning to fund it via bank loans, okay. And even then rent is costing us approximately 4% and whereas this the property ROI is within three to five years, this properties ROI is better than buying a property is better ROI than renting it because and we have faced this pain in the past, whereas we have rented the property and we have set-up the business and everything and then we end-up shifting and it becomes very, very painful.

And for a company of our size, which is growing at a peak, we need a proper office.

Ashish Malani - Analyst, Malani Family Office
Got it. Got it. Got it. And sir, if I'm right, our specialty is mostly into this 5 grams to 15 grams gold jewelry, right, and which is very light gold jewellery. So in that part of the business, like if you could just give us an overview, like what is the -- what is our role from design towards manufacturing? Is manufacturing completely outsourced right now to all the carriers or some of it is even in-house?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So our manufacturing is mostly outsourced. I'll just.

Ashish Malani - Analyst, Malani Family Office
Because design and everything else is in-house, but manufacturing on th.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So we have approximate -- we have approximately 31 workshops working under us. And our 90% -- 90% of our work is they done by these workers mostly by -- for us only. They don't work for anyone else and they are paid on the output. So cost is variable and we are asset-light on the labor liability side. So our present capacity is between 60 to 70 kg a month with these people and we can increase up to, 80, 90 kilos also with the same set of workshops.

Ashish Malani - Analyst, Malani Family Office
Got it. Got it. Got it, sir. Thank you very much. Thank you.

Operator
Thank you. The next question is from Vijay Menon as an individual investor. Please go-ahead. Mr. Vijay.

Vijay Menon - Analyst, Individual Investor
Hello. Hello, sir.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Hello Suji.

Vijay Menon - Analyst, Individual Investor
Sir, I have few questions for you. So first is regarding the export. So exports fell to 3.2 in FY '26 and 6.13 in FY '25. So what -- what was the reason because actually was this because of any domestic demand was stronger or like you choose to focus here? And how did your exports.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Exports fell mainly everybody is I think everyone face this problem because exports fell mostly because of this I don't want to share because of the US factor. So our major exports is in US and Saudi Arabia. So there is war going on in Saudi Arabia and then there is a US sector. So there was and there was so many things going on.

Vijay Menon - Analyst, Individual Investor
Okay, got it. So next is regarding the export to UA, US, Australia. So are there any other countries you are looking for export? Is it only?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Our plans is to once if we have expanded in a notable quantity in these countries only, then it makes sense for us to expand any further. So we would first like to explore these countries fully because these are the major markets across the world, if you say in terms of gold jewelry. So once we have fully utilize these markets, then only we would like to go into any other markets.

Vijay Menon - Analyst, Individual Investor
And also, sir, what makes those markets a good fit for your lightweight defense?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Yeah, these markets are very good. But once I think the geopolitics and global uncertainties -- uncertainties come down, I think we'll have very, very good demand again in these markets.

Vijay Menon - Analyst, Individual Investor
Okay, sir, got it. So next is regarding like you have office come showrooms in Hyderabad, Bangalore, Chennai and Vijay. So how does having a physical presence in these cities help you operate better and whether through fast delivery closer client relationship or reorders compared with saving them from Kolkata?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Can you -- can you -- how does physical office helps us better?

Vijay Menon - Analyst, Individual Investor
Yes, sir.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So, so Vijaji, we have -- we have -- it's like a -- it's like we have learned from the past that we used to sell online during corona times, but having a physical office always gives us the advantage of presence, the touch and feel advantage and clients would like to touch and feel and see the items then start buying. So it helps like setting -- getting acquiring new clients, building better relationships with client, better service.

Vijay Menon - Analyst, Individual Investor
Okay, sir. Got it. So that's it from my side.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So the best example is our office so we opened our Vijawata office and began billing in December 2025 its first full month was 2.19 CR and in H1 we have sold 45.7 CR that is about 30 kgs that is 7.6 CR a month so you can understand opening an office really helps.

Vijay Menon - Analyst, Individual Investor
Okay, sir. So Vijay is the main center.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
It is one of our major offices.

Vijay Menon - Analyst, Individual Investor
Okay, sir. Thank you.

Operator
Thank you, sir. The next question is from Yash Rathar from Unique Solutions. Mishesh, please go-ahead.

Yash Rathore - Analyst, Unique Solution
Hello, am I audible?

Operator
Yes. Yes. Yes, yes.

Yash Rathore - Analyst, Unique Solution
Good day, sir. I have questions with me. The first question is, why did you pick?

Operator
Amish, please a little bit louder please.

Yash Rathore - Analyst, Unique Solution
Yeah. Okay. Sir, why did you pick Ahmedabad and as the next location? Gujarat has many strong local manufacturers. So what gives you confidence you can win us there?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Okay. So in the exhibition wherever we are putting up exhibition, so there are Lot of jewelers from Ahmedabad who are already manufacturers, but they show interest in our jewelry and that gives us the confidence that Ahmedabad has a big market for our product. Also, our product is a very differentiating product, which is a very lightweight item and manufacturers in Ahmedabad are not highly interested to manufacture this kind of product and also they don't have the expertise

generally this item is made in Bengal only. So the same logic is for code only also. Also is a big manufacturing hub. So it doesn't matter. So what gets made in Bangalore cannot be made in Calcutta on scale. But the same stands vice-versa.

Yash Rathore - Analyst, Unique Solution
Okay, sir, understood. And sir, what about a quarter of FY '26 orders came from exhibition. How many exhibition do you take part in each year and how do you decide which shows are worth the worst?

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
So generally, there are three shows these are export promotion council shows this is government organized government organization. So three of these shows we are already doing for many years now and our past exhibition experiences has also taught us. So which show how much to focus and what will be the response. So we -- beforehand we understand like what kind of items to make and what will be the response okay, okay. Did I answer your question?

Yash Rathore - Analyst, Unique Solution
Yes, yes.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Thank you.

Yash Rathore - Analyst, Unique Solution
Thank you.

Operator
Thank you, sir. Ladies and gentlemen, as there are no further questions, I now hand the conference over to Mr for closing comments. Mr, please go-ahead.

Rudrapratap Singh - Analyst, Kirin Advisors Private Limited
Okay. Thank you everyone for joining the conference call of Limited. If you have any further queries, you can write to us at. Once again, thank you everyone for joining the conference.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Thank you time. Thank you.

Operator
Thank you, participants. Thank you management. On behalf of Advisors Private Limited. That concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.

Mridul Tibrewal - Whole-Time Director and Chief Executive Officer, Pushpa Jewellers Limited
Thank you.