



IPO Report

25th July '25

Snapshot

Company is one of the leading manufacturers of high-quality 22kt CZ casting gold jewellery, in terms of installed production capacity, specializing in the design and production of all types of gold jewellery. Company offers a wide range of high-quality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery.

VALUATION

Company is bringing the issue at price band of Rs 189-199 per share at p/e multiple of approx. 26x on post issue FY25 PAT basis.

Company has wide range of jewellery designs driven by team of experts. Also, company has complete in-house manufacturing: ensuring quality at every step. Company with its experienced promoters with execution capabilities has got financially stable business model with established relations with corporate and jewellery businesses. Hence we recommend "Subscribe" to this ipo.

Price Band (Rs./Share)	189-199
Opening date of the issue	25th July '2025
Closing Date of the issue	29th July '2025
No of shares pre issue	5,40,00,000 Eq Shares
Issue Size	Rs 342-360 Cr
Fresh Issue	1,80,96,000 Eq Shares
Face Value (Rs/ share)	Rs 10/share
Bid Lot	75

BIDDING DETAILS

QIBs (Including Anchor)	50% of the offer (Approx 90,48,000 Eq Shares)
Non-Institutional	15% of the offer (Approx 27,14,400 Eq Shares)
Retail	35% of the offer (Approx 63,33,600 Eq Shares)
Lead managers	Choice Capital Advisors
Registrar to the issue	Bigshare Services

WHAT WE LIKE

Wide range of jewellery designs driven by team of experts

Company's jewellery business includes the designing and production of 22 Kt CZ gold jewellery. Company offer a wide range of highquality, intricately designed pieces, including bangles, rings, necklaces, and complete jewellery sets across various price points ranging from jewellery for special occasions, such as weddings to festive and daily-wear jewellery.

Established relations with corporate and jewellery businesses

Over the years, company have developed and established sustained relationships with its clients, including Corporate Clients, enabling company to effectively address the distinct needs of company's clients' segments. Company have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands ("Corporate Clients"), such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limed, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients.

Complete in-house manufacturing: Ensuring quality at every step

Company have fully integrated in-house manufacturing setup, which enables it to exercise greater control over the quality of products and meet the standards expected by its customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling company to create jewellery tailored to its clients' preferences. Company's manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, etc. Additionally, a significant portion of company's production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship.



COMPANY BACKGROUND

Founded as a partnership firm in 2003, company's business was established by its Promoters, Pankajkumar H. Jagawat and Manojkumar N. Jain, who have over 20 years of experience in the jewellery industry. Company currently offer wide range of designs and products of 22kt CZ gold jewellery

Manufacturing setup

Company have a fully integrated in-house manufacturing setup, which enables it to exercise control over the quality of products and meet the standards expected by its customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling company to create jewellery tailored to its clients' preferences. Company's manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, etc.

Additionally, a significant portion of company's production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship.

Company's manufacturing facility spans over 13,448.86 square feet area in Andheri East, Mumbai ("**Andheri Manufacturing Facility**"), equipped to produce variety of jewellery with precision and efficiency. As on date, company have an installed manufacturing capacity of 2,700 kg per annum.

Company is known for its craftsmanship, innovative designs, and robust manufacturing capabilities (*Source: CARE Report*).

Customer network and operational overview

Many of company's pieces feature intricately studded gemstones in CZ casting gold, crafted by company's team of designers, by employing computer-aided design technology ("**CAD**"). As of May 31, 2025, company had a team of 79 CAD designers on its payroll, who develop over 400 designs per month on a regular basis.

For the Fiscal Years 2025, 2024 and 2023, company catered to 455, 372 and 379 customers and its revenue from operations from the sale of jewellery and labour services was ₹ 11,064.07 million, ₹ 7,114.34 million and ₹ 6,794.04 million, respectively, translating to average compounded annual growth rate of 27.61%.

Company have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands ("**Corporate Clients**"), such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients. These relationships have been built on company's ability to provide a wide range of designs for its product offering tailored to the needs of its clients by understanding market preferences. Its customer network spans 15 states and 2 union territories in India and four countries abroad. Over the years, company has endeavoured to deliver quality services and products, earning the trust and loyalty of its customers.

Company started its operations in 2003 from one city in Maharashtra and have evolved into a brand with presence, as of May 31, 2025, in 15 states across India and 2 union territories. Company's operations span key cities including Mumbai, Bangalore, Chennai and Hyderabad, and company have branch offices in Tamil Nadu, Andhra Pradesh, Karnataka, Telangana, Gujarat and Madhya Pradesh. Further, company is planning to expand its reach in Jaipur by setting up a new manufacturing facility. A significant portion of company's current presence is in South India, where the tradition of investing heavily in gold jewellery, is deeply ingrained, with families often prioritizing substantial, intricate designs that reflect both wealth and cultural heritage. The emphasis on gold as an investment also drives higher expenditure in this region.

In the Fiscal Years 2025, 2024 and 2023, company catered to 455, 372 and 379 customers, respectively and its revenue from operations from the sale of jewellery and labour charges received was ₹ 11,064.07, ₹ 7,114.34 million and ₹ 6,794.04 million, respectively, translating to average compounded annual growth rate of 27.61%.



INVESTMENT RATIONALE

<p><i>Complete in-house manufacturing: Ensuring quality at every step</i></p>	<p>Company have fully integrated in-house manufacturing setup, which enables it to exercise greater control over the quality of products and meet the standards expected by its customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling company to create jewellery tailored to company's clients' preferences. Company's manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, etc. Additionally, a significant portion of company's production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship. Company's Andheri Manufacturing Facility spans over 13,448.86 square feet area, equipped to produce variety of jewellery with precision and efficiency. As on date, company have an installed manufacturing capacity of 2,700 kg per annum, allowing it to efficiently produce a wide range of jewellery.</p>
<p><i>Experienced Promoters with execution capabilities</i></p>	<p>Company attribute its growth to the experience of its Promoters. Company's Promoters and Directors, Pankajkumar H. Jagawat and Manojkumar N. Jain, each have over 20 years of experience in jewellery industry, and its Promoter and Director, Shashank Bhawarlal Jagawat, has over 16 years of experience in jewellery industry. Company's Promoters have been responsible in augmenting relationships with various stakeholders which has helped Company expand its operations. Company's Promoter and Managing Director, Pankajkumar H. Jagawat is also currently associated as a director with Utssav CZ Gold Jewels Limited, Uzuri Jewels Private Limited and Shanti Gold & Diamond Jewellery Private Limited which are involved in manufacturing and processing of gold and ancillary jewellery. Further, company's Promoter and Whole-Time Director, Manojkumar N. Jain is also currently associated as a director with Uzuri Jewels Private Limited and Shanti Gold & Diamond Jewellery Private Limited, and company's Promoter and Non-Executive Director, Shashank Bhawarlal Jagawat is associated as a director with Utssav CZ Gold Jewels Limited.</p>
<p><i>Established relations with corporate and jewellery businesses</i></p>	<p>Over the years, company have developed and established sustained relationships with its clients, including Corporate Clients, enabling company to effectively address the distinct needs of company's clients' segments. Company have fostered long standing relationships with several jewellery businesses, including corporate jewellery brands ("Corporate Clients"), such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited and Shree Kalptaru Jewellers (I) Private Limited and numerous other esteemed clients. These relationships have been built on company's ability to provide a wide range of designs for its product offering tailored to the needs of its clients by understanding market preferences. Company endeavour to offer customised jewellery and collections that align with its Corporate Clients' and market preferences.</p>



OBJECTS OF OFFER

Company proposes to utilise the Net Proceeds towards funding of the following objects:

1. Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility (defined below)
2. Funding working capital requirements of Company;
3. Repayment and/or pre-payment, in full or part, of certain borrowings availed by Company; and
4. General corporate purposes

RISKS

Company's top 10 customers contributed to 34.49%, 36.43% and 33.17% in the Fiscals 2025, 2024 and 2023, respectively. Any loss of one or more of company's top customers, or the deterioration of their financial condition or prospects, or a reduction in their demand for company's products, could adversely affect company's business, results of operations, financial condition and cash flows.

Source:RHP

INDUSTRY OVERVIEW

Overview of Indian Gems & Jewellery Industry

The Indian gems and jewellery industry is a significant pillar of the national economy, contributing approximately 7% to the country's GDP and around 15% of total merchandise exports. The sector is expected to grow steadily, driven by domestic consumption and international demand. India holds a prominent position globally, being the largest diamondcutting and polishing hub, producing over 90% of the world's polished diamonds.

The industry comprises various segments, including gold jewellery, diamond jewellery, coloured gemstones, and studded jewellery, with gold jewellery dominating the market. Gold plays a vital cultural and religious role in India, symbolizing prosperity and wealth, and is an essential part of weddings, festivals, and other ceremonies. Geographically, the manufacturing base is concentrated in key states like Maharashtra, Gujarat, and Tamil Nadu. Organized players are gaining traction as the industry undergoes formalization. Increasing consumer preference for branded jewellery, quality assurance, and contemporary designs is driving this transition. Government initiatives, such as mandatory hallmarking for gold jewellery, the Gold Monetization Scheme, and easing gold import restrictions, are bolstering the formal sector.

In 2024, seven major trade fairs were organized by prominent councils such as the Gem and Jewellery Export Promotion Council (GJEPC), the All India Gem and Jewellery Domestic Council and others. These events were held across cities, including Jaipur, Mumbai, Bengaluru, Coimbatore, Delhi NCR, Hyderabad, and Kolkata, showcasing the dynamic Gems and Jewellery sector in India. Serving as vital platforms, these fairs promoted innovation, enhanced domestic and international trade, and fostered collaborations among industry stakeholders.

Indian Gems & Jewellery Industry Market Size

The Indian Gems and Jewellery (G&J) business has traditionally been fragmented with consumers purchasing from family jewellers. The fragmented nature of this sector makes it difficult to quantify the number of jewellers in India. However, the industry has seen structural transformation in the recent decade with more G&J players moving up the value chain with a greater focus on branded jewellery. Moreover, consumers are more predisposed to branded jewellery particularly in metro & tier I cities, given the rising media and Western influences and willingness to pay a premium price.

Indian gold jewellery industry market size (CY20-CY29)

The Indian jewellery market is traditionally dominated by gold jewellery. Gold jewellery purchases in India are not just limited to consumption as is the case with fashion jewellery. They have a strong saving significance. This is more evident in rural communities where access, literacy, and acceptance of other financial savings instruments are low. These factors have resulted in gold being a major saving asset class. Cultural differences, religious & trust concerns, and other elements that influence jewellery purchases have all contributed to gold jewellery's significance.


Consolidated Financials

(Rs in Mn)

Financials	FY23	FY24	FY25
Total Revenue (A)	6794.04	7114.34	11064.07
Total Expenditure (B)	6367.05	6615.84	10147.53
EBIDTA	426.99	498.50	916.54
EBIDTA Margin	6.28	7.01	8.28
Other Income	28.78	36.04	60.60
Depreciation	24.87	33.52	56.63
EBIT	430.90	501.02	920.51
Interest	121.27	142.78	192.20
PBT	309.63	358.24	728.31
Share of profit in Asso	0.00	0.00	0.00
PBIT	309.63	358.24	728.31
Exceptional	0.00	0.00	0.00
PBT	309.63	358.24	728.31
Tax	111.37	89.56	169.89
PAT	198.26	268.68	558.42
NPM	2.92	3.78	5.05
ROE%	33.08	32.28	44.85
EPS	3.67	4.98	10.34
Eq Cap	90.00	90.00	540.00
Net Worth	698.05	966.69	1,523.73

(Source: RHP)

Peer Comparison

Company Name	Face Value	EPS	P/E	ROE %	NAV
<i>Shanti Gold International Limited</i>	<i>10.00</i>	<i>10.34</i>	<i>---</i>	<i>44.85</i>	<i>28.22</i>
Peers					
Utssav CZ Gold Limited	10.00	11.63	19.35	30.94	53.23
RBZ Jewellers Limited	10.00	9.70	14.42	17.15	61.26
Sky Gold Limited	10.00	9.52	34.53	28.59	46.61

(Source: RHP)



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