LALITHAA JEWELLERY MART LIMITED

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IPO Report

17th Aug 26

Snapshot

Company is a jewellery retailer operating under the brand name "Lalithaa", offering a diverse range of gold jewellery, silver jewellery, and diamond jewellery across styles, designed to cater to regional preferences of the southern Indian jewellery markets. Company had the highest operating revenue per store amongst key organised jewellery players in India, at ₹ 4,102.28 million, ₹ 2,816.22 million and ₹ 3,167.56 million for Fiscal 2026, for Fiscal 2025 and for Fiscal 2024 respectively

VALUATION

Company is bringing the issue at price band of Rs 190-201 per share at p/e multiple of 11x on post issue FY26 basis.

Company has strong regional presence with deep penetration in high-growth South Indian markets evidenced by operating revenue growth between Fiscal 2024 to Fiscal 2026. Company's brand catering to the mass and value-conscious segment with own manufacturing. Also, company has Brand pull in Tier II and Tier III cities in southern India with focus on quality, craftsmanship and original designs. Company's large Format Stores and Medium Format Stores driving scale. Also , company has robust customer base owing to diverse range of jewellery schemes. Company has asset light retail business model with backward integration, efficient inventory management and quality control processes in place

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Price Band (Rs./Share)	**190-201**
Opening date of the issue	**17th Aug '2026**
Closing Date of the issue	**19th Aug '2026**
No of shares pre issue	49,99,77,156 Eq Shares
Issue Size	Rs 1700 Cr
Fresh Issue	Rs 1200 Cr
OFS	2,48,75,621 Eq Shares
Face Value (Rs/ share)	Rs 5/share
Bid Lot	74
Employee Discount	Rs 19 per share
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 4,21,39,303 eq Shares)
Non-Institutional	15% of the offer (Approx 1,26,41,791 eq Shares)
Retail	35% of the offer (Approx 2,94,97,512 eq Shares)
Employee Reservation	Upto 3,29,670 Eq Shares
Lead managers	Anand Rathi Advisors Ltd., Equirus Capital Ltd.
Registrar to the issue	MUFG Intime India Private Limited

WHAT WE LIKE

Strong regional presence with deep penetration in high-growth South Indian markets evidenced by operating revenue growth between Fiscal 2024 to Fiscal 2026.

Consumers are now purchasing jewellery on various other celebratory occasions such as earning a bonus, graduation or landing a new job. Though gold jewellery dominates the bridal market in South India, the increasing preference for minimalist jewellery is emerging as a growth driver in the region Company reported operating revenue CAGR of 22.09% between Fiscals 2024 and 2026 during which period the number of company's stores has increased from 53 as on March 31, 2024 to 61 as on March 31, 2026

Brand pull in Tier II and Tier III cities in southern India with focus on quality, craftsmanship and original designs

Jewellery retail chains have considerable share accounting for 54-59% share of the south Indian gems and jewellery market in Fiscal 2026 .Tier II and III cities in South India region are estimated to have a high growth potential and the jewellery retail chain players are well-positioned to penetrate and capture the market share due to strong regional presence .In Fiscal 2026, 45 out of company's 61 stores are located in Tier II and Tier III cities. The strategic emphasis on targeting these markets reflects company's goal of expanding its reach and strengthening its presence in these markets.

Large Format Stores and Medium Format Stores driving scale

Company's strategy of opening Large Format Stores and Medium Format Stores has played a crucial role in driving scale for Company. Such retail spaces allow company to present an extensive selection of gold, silver and diamond jewellery, accommodating diverse tastes and preferences. The enhanced product visibility and variety draw in a larger customer base, resulting in increased foot traffic and higher sales volumes. As on March 31, 2026, company have 8 Large Format Stores, 43 Medium Format and 10 small format stores spread across various states

COMPANY BACKGROUND

Company reported operating revenue CAGR of 22.09% between Fiscals 2024 and 2026. *Company* strive to serve the southern Indian market with authenticated BIS-hallmarked jewellery through company's 61 stores in 51 cities in the states of Tamil Nadu, Andhra Pradesh, Telangana, Karnataka and the Union Territory of Puducherry, spread across a total operational area of 650,881 sq. ft., as of March 31, 2026. Company stand out as a disruptive brand, offering gold jewellery at competitive prices due to its in-house manufacturing capabilities. With this ethos, Company has been able to establish a brand image with target customers which, in turn, has allowed company to grow its revenue from operations from ₹ 167,880.52 million in Fiscal 2024 to ₹ 250,239.27 million in Fiscal 2026, with a CAGR of 22.09%.Company has presence across the south Indian cities with stores operational in Tier I, II and III cities. In Fiscal 2026, 45 of its 61 stores are in these Tier II and Tier III cities, contributing to 60.25% of company's revenue reflecting its strategic focus on these high-growth potential markets.

Out of a total 61 stores, in Fiscal 2026, company operate 51 stores with an aggregate area of each store more than 5,000 sq. ft. These stores are strategically located across cities and towns in key jewellery consumption markets in southern India, of which 39 stores are located in Tier-II and Tier-III cities. Company's strategy of opening Large Format Stores (more than 15,000 sq.ft) and Medium Format Stores (less than equal to 15,000 sq.ft and more than 5,000 sq.ft) allows it to showcase a wide selection of gold, silver and diamond jewellery, which is instrumental in driving company's growth. This resonates with the fact that company had the highest operating revenue per store amongst key organised jewellery players in India, at ₹ 4,102.28 million, ₹ 2,816.22 million and ₹ 3,167.56 million for Fiscal 2026, for Fiscal 2025 and for Fiscal 2024, respectively.

Moreover, for Fiscals 2026, 2025 and 2024, company's operating EBITDA per store was ₹ 274.34 million, ₹ 123.39 million and ₹ 128.33 million, respectively. Company has been able to create a templatised approach for store location, size and overall customer experience, which enables company to scale for growth in existing as well as potentially newer markets.

Company also offers jewellery schemes such as '*Dhana Vandhanam*' and *'Free-yo-Flexi'* that attracts customers on a repeated basis. These schemes are designed to provide added value and flexibility to company's clientele, encouraging them to engage with its brand repeatedly. Company presently offer a monthly instalment plan, such as '*Dhana Vandhanam*', starting from ₹1,000 to ₹10,000. Upon completion of 11 months, company offer 50% bonus on the amount equivalent to one month's instalment and 50% discount on value addition charges to its customers at the time to buying jewellery.

Under the '*Dhana Vandhanam*' scheme, at the time of jewellery purchase, the customer can choose either weightbased calculation or rupee-based calculation as monthly instalments' credit. This protects the customers from gold rate fluctuations during the entire period of the scheme.

Further, under *'Free-yo-Flexi'* scheme (which starts from ₹1,000 monthly instalments and can go up to ₹25,000 monthly instalments), on completion of 11 months, comoany offer its customers 100% discount on the value addition charges at the time to buying jewellery subject to fulfillment of terms and conditions specified in the scheme. As of Fiscal 2026, 473,412 customers are enrolled and are active in company's schemes. Amongst the key organised jewellery players in India, Lalithaa Jewellery Mart Limited has the highest advances from customers for Fiscal 2026 and Fiscal 2025, at ₹ 50,427.50 million and ₹ 31,454.10 million, respectively.

OBJECTS OF OFFER

The Offer comprises the Fresh Issue by Company and the Offer for Sale by the Promoter Selling Shareholder.
Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:
1. Funding of expenditure towards setting up of 10 new stores in India ("New Stores"). The funding is proposed to be utilised towards the following broad heads:
(a) Capital expenditure for fit-outs in the nature of furniture and fixtures, equipment, IT hardware and software; and
(b) Expenditure towards inventory costs for setting up of New Stores
2. General corporate purposes

RISKS

Company's revenues have been significantly dependent on sale of gold jewellery, which accounted for 92.33%, 94.58% and 93.96% of its revenue from operations, for the Financial Years 2026, 2025 and 2024, respectively. Any factors adversely affecting the procurement of gold or company's sales of gold jewellery may negatively impact company's business, financial condition, results of operations and prospects.

Source:RHP

Consolidated Financials (Rs in Mn)

Financials	FY24	FY25	FY26
Total Revenue (A)	167880.52	168973.17	250239.27
Total Expenditure (B)	161078.85	161569.58	233504.23
EBIDTA	6801.67	7403.59	16735.04
EBIDTA Margin	4.05	4.38	6.69
Other Income	125.67	105.63	158.76
Depreciation	719.11	871.78	1306.61
EBIT	6208.23	6637.44	15587.19
Interest	1362.69	1604.39	1984.53
PBT	4845.54	5033.05	13602.66
Share of profit in Asso	0.00	0.00	0.00
PBIT	4845.54	5033.05	13602.66
Exceptional	0.00	0.00	0.00
PBT	4845.54	5033.05	13602.66
Tax	1247.21	1385.79	3504.49
PAT	3598.33	3647.26	10098.17
NPM	2.14	2.16	4.04
ROE%	24.16	19.73	39.90
EPS	7.20	7.29	20.20
Eq Cap	119.04	2,499.89	2,499.89
Net Worth	15,643.66	19,253.83	29,297.25

(Source: RHP)

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