ANANDRATHI

Priority Jewels Ltd

27-Aug-26

Subscribe- Long Term

Rinkle Vira
rinklevira@rathi.com

RINKLE SHAILESH VIRA

Digitally signed by RINKLE SHAILESH VIRA
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Issue Details

Issue Details	
Issue Size (Value in ₹ million, Upper Band)	915
Fresh Issue (No. of Shares in Lakhs)	45.8
Offer for Sale (No. of Shares in Lakhs)	-
Bid/Issue opens on	28-Aug-26
Bid/Issue closes on	01-Sept-26
Face Value	Rs.10
Price Band	Rs. 190-200
Minimum Lot	75

Objects of the Issue

- **Fresh Issue: ₹ 915 million**
  - Repayment/pre-payment, in full or in part, of certain working capital borrowings availed by the company.
  - General Corporate Purposes.

Book Running Lead Managers
Mefcom Capital Markets Limited
Registrar to the Offer
MUFG Intime India Private Limited

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	230
Subscribed paid up capital (Pre-Offer)	134
Paid up capital (Post - Offer)	180

Share Holding Pattern %	Pre-Issue	Post Issue
Promoters & Promoter group	93.8%	70.0%
Public	6.2%	30.0%
Total	100%	100%

Financials

Particulars (Rs. In Million)	3M FY27	FY26	FY25	FY24
Revenue from operations	**1,467**	**5,389**	**4,355**	**4,105**
Operating Expenses	1,364	5,054	4,112	3,911
EBIDTA	**103**	**335**	**243**	**194**
Other Income	6	1	4	1
Depreciation	6	18	18	16
EBIT	**103**	**318**	**229**	**179**
Interest	18	84	79	82
PBT	**85**	**234**	**150**	**97**
Tax Expense	21	58	45	25
Consolidated PAT	**64**	**176**	**105**	**72**
EPS	**3.6**	**9.8**	**5.8**	**4.0**
Ratio	**3M FY27**	**FY26**	**FY25**	**FY24**
EBITDAM		6.2%	5.6%	4.7%
PATM		3.3%	2.4%	1.8%
Sales growth		23.7%	6.1%	

Company Description

Priority Jewels Limited, incorporated in 2007, is a jewellery manufacturing company engaged in designing, manufacturing and selling lightweight, affordable, diamond-studded gold and platinum fine jewellery. The company primarily caters to independent jewellers and jewellery chains in India, while also serving select international markets. Its customers include CaratLane Trading Private Limited, Kalyan Jewellers India Limited, Reliance Retail Limited, Malabar Gold & Diamonds FZCO, Tribhovandas Bhimji Zaveri Limited and Senco Gold Limited.

The company offers a portfolio of lightweight, daily-wear jewellery, including rings, earrings, pendants, neckwear and bracelets, along with occasion and couture jewellery. It also manufactures lab-grown diamond jewellery against specific customer orders, although the segment currently contributes an immaterial portion of revenue. Its in-house design team of 39 professionals produced 8,356 designs in Fiscal 2026, focusing on contemporary designs and changing customer preferences.

Priority Jewels operates two manufacturing facilities in Mumbai, with an aggregate capacity of approximately 700 kg per annum. Its integrated facility at MIDC, Andheri East, is equipped with casting, CAD/CAM and 3D printing capabilities, while the SEEPZ SEZ facility supports its export requirements. The company has integrated capabilities covering design, prototyping, casting, stone setting, polishing and quality control, with capacity utilisation of around 58% across the last three Fiscals and the three months ended June 30, 2026.

As of June 30, 2026, the company had over 200 customers, including 125 independent jewellers and 53 jewellery chains, with a presence across 21 states and three union territories. It has also exported to 13 countries, including the US, UAE, Hong Kong and Norway, primarily serving overseas stores of Indian jewellery chains. The company processed and sold 203,860 units in Fiscal 2026, compared with 172,108 units in Fiscal 2024, a CAGR of 8.8%.

The company is supported by an experienced management team, with its Promoters, Shailesh Sangani and Tushar Mehta, having around three decades of experience in the gems and jewellery industry. Its manufacturing and design capabilities, established customer relationships and focus on customized, lightweight jewellery provide a platform to cater to the evolving requirements of organized jewellery retailers in India and overseas markets.

Valuation

Priority Jewels Ltd. is a jewellery manufacturer focused on lightweight, affordable, diamond-studded gold and platinum jewellery, with a business model focused on backend manufacturing for leading jewellery retailers, similar to Sky Gold. Long-standing relationships with customers such as CaratLane, Kalyan Jewellers, Reliance Retail and Malabar Gold & Diamonds provide a strong foundation for future growth. Expansion into adjacent categories such as jewellery findings could further strengthen the product portfolio.

At the upper price band, based on FY26 earnings, the issue is valued at **20.5x** P/E and **13.9x** EV/EBITDA, implying a post-issue market capitalization of Rs 3,600 million, making the issue fully priced. However, the business remains exposed to fluctuations in gold prices, changing consumer preferences and competitive jewellery manufacturing industry. Going forward, capacity expansion, balance sheet deleveraging and diversification into silver jewellery, lab-grown diamond jewellery and high-end jewellery are expected to support growth. The Company is well positioned to benefit from the growing demand for affordable and designer jewellery. Thus, we assign a **"Subscribe for Long Term"** rating for the issue.

Company Overview

Priority Jewels Ltd. is a jewellery manufacturing company engaged in designing, manufacturing and selling lightweight, affordable diamond-studded gold and platinum fine jewellery. Incorporated in 2007, the company caters to independent jewellers and leading jewellery chains across India as well as select international markets. Its key customers include CaratLane Trading Private Limited, Kalyan Jewellers India Limited, Reliance Retail Limited, Malabar Gold & Diamonds FZCO, Tribhovandas Bhimji Zaveri Limited and Senco Gold Limited. The company's portfolio primarily comprises daily-wear jewellery such as rings, earrings, pendants, neckwear and bracelets, along with occasion and couture jewellery. It focuses on contemporary designs, modern aesthetics and affordability, while also manufacturing lab-grown diamond jewellery against specific customer requirements. Its in-house design team of 39 professionals produced 8,356 designs in FY26, supporting its ability to offer customised products and respond to changing market trends. As of June 30, 2026, the company had over 200 customers, including 125 independent jewellers and 53 jewellery chains. It has established a presence across 21 states and three union territories in India and exports to 13 countries, including the US, UAE, Hong Kong and Norway, with exports largely catering to overseas stores of Indian jewellery chains and the Indian diaspora.

It operates two jewellery manufacturing facilities in Mumbai with an aggregate capacity of approximately 700 kg per annum and around 58% utilisation across the last three Fiscals and the three months ended June 30, 2026. Its integrated manufacturing capabilities cover the complete process from design conceptualisation and rapid prototyping to casting, stone setting, polishing, rhodium plating and quality control. The MIDC facility is equipped with advanced casting, CAD/CAM and 3D printing technology, while the SEEPZ SEZ facility supports export requirements. The company's focus on lightweight and affordable diamond-studded jewellery positions it to benefit from rising disposable incomes, urbanisation, increasing preference for branded jewellery and growing demand for lightweight daily-wear products. The Indian lightweight jewellery market is projected to grow at a CAGR of 14.7% between CY25 and CY30P. Priority Jewels processed and sold 203,860 units in FY26 compared with 172,108 units in FY24, registering a CAGR of 8.8%, while PAT increased from ₹71.48 million to ₹176.48 million, representing a CAGR of 57.1%. With experienced promoters, established relationships with organised jewellery retailers, an experienced design team and integrated manufacturing capabilities, the company is well positioned to leverage the growth of the organised jewellery market.

Product Portfolio: Priority Jewels Ltd. focuses on designing and manufacturing lightweight, aspirational and affordable fine jewellery for daily wear, produced in high volumes with efficient turnaround times. Its portfolio spans multiple weights and price points, covering various customer preferences and occasions such as Valentine's Day, Akshay Tritiya and Diwali. The company's design team develops in-house collections around specific themes, while also incorporating customer inputs to create customised designs. Its design process is supported by trend research through international trade shows, social media and historical sales data, enabling the company to identify emerging preferences and successful designs. Once concepts are finalised, the merchandising and CAD teams develop precise 3D models for production, with customers typically reviewing multiple design options before approval. As a B2B manufacturer, order volumes remain subject to customer preferences, seasonality, promotional cycles, pricing strategies and broader economic conditions.

Products of the Company

The details of the products sold over a course of past three fiscals are set out below:

Product Category	3M FY27 Pieces Sold	% of Total Pieces	FY26 Pieces Sold	% of Total Pieces	FY25 Pieces Sold	% of Total Pieces	FY24 Pieces Sold	% of Total Pieces
Rings	13,144	30.8%	63,918	31.4%	69,354	36.5%	62,838	36.5%
Earrings	17,908	42.0%	86,236	42.3%	60,217	31.7%	51,085	29.7%
Pendant Set / Mangalsutras	3,948	9.3%	17,483	8.6%	26,553	14.0%	19,914	11.6%
Bracelets	1,645	3.9%	14,543	7.1%	15,874	8.4%	16,284	9.5%
Neckwear	3,920	9.2%	10,702	5.3%	8,817	4.6%	5,788	3.4%
Other Products*	2,107	4.9%	10,978	5.4%	9,267	4.9%	16,199	9.4%
Total Pieces Sold	**42,672**	**100.0%**	**203,860**	**100.0%**	**190,082**	**100.0%**	**172,108**	**100.0%**

Other products primarily include nose pins, tikli, bangles and CZ silver jewellery (samples for customers)

Particulars	Three months ended June 30, 2026 Revenue	% of Revenue from Operations	Fiscal 2026 Revenue	% of Revenue from Operations	Fiscal 2025 Revenue	% of Revenue from Operations	Fiscal 2024 Revenue	% of Revenue from Operations
Revenue from operation	**1,467**	**100**	**5,389**	**100**	**4,354.95**	**100**	**4,105**	**100**
Sale of products	1,413	96.3	5,131	95.21	4,089	93.9	3,892	94.8
Sale of services – job work charges	36	2.5	162	3	235	5.4	179	4.37
Operating income	18	1.2	97	1.79	31	0.7	34	0.83

Geographical Reach: Priority Jewels Ltd. has a diversified geographic presence across India and select international markets. Domestically, the company serves customers across 21 states and three union territories, including Maharashtra, Gujarat, Delhi, Karnataka, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal, Rajasthan, Kerala, Andhra Pradesh, Bihar, Haryana, Punjab and Odisha. Internationally, it exports to markets including Australia, Belgium, Denmark, Greece, Hong Kong, Norway, UAE and the USA, with exports largely catering to overseas stores of Indian jewellery chains and the Indian diaspora. This broad geographic reach enables the company to diversify its customer base and tap into demand for lightweight and affordable jewellery across both domestic and international markets.

Business Operation: Priority Jewels Ltd. undertakes an integrated manufacturing process covering designing, wax moulding, 3D printing, direct casting, wax setting, diamond hand setting, tumbling, polishing, filing, finishing and quality control. Its jewellery is primarily manufactured in-house at its MIDC and SEEPZ facilities in Mumbai, with only a negligible portion outsourced. The integrated setup enables the company to maintain control over production, quality and design specifications while ensuring consistent product standards. Close coordination between its design and production teams also supports efficient execution of customised orders and adherence to required quality standards.

- *Manufacturing Facilities:* Priority Jewels Ltd. operates two manufacturing facilities in Mumbai, located at MIDC, Andheri (East) and SEEPZ, Andheri East. The company follows a largely integrated, in-house manufacturing model covering designing, wax moulding, 3D printing, direct casting, wax setting, diamond hand setting, tumbling, polishing, filing, finishing and quality control. The majority of its jewellery is manufactured at these facilities, with only a negligible portion outsourced. The integrated setup enables Priority Jewels to maintain greater control over production, quality and design specifications while ensuring consistency across order volumes. Close coordination between the design and production teams allows efficient conversion of concepts into finished jewellery and supports customised orders. The company's in-house manufacturing capabilities also enable better quality control and efficient turnaround for its jewellery retail customers.

- *Installed Capacity and Actual Production:* The following table provides the aggregate installed capacity and actual production at their manufacturing facilities for the three months ended June 30, 2026 and Fiscals 2026, 2025, and 2024:

Product	UoM	Installed Capacity	3M FY27 Actual Production	3M FY27 Utilisation*	FY26 Utilisation	FY25 Utilisation	FY24 Utilisation
Diamond Studded Jewellery	Kg	700	102	58.0%	65.0%	81.0%	83.0%

**Annualised*

- *Their Manufacturing Process:* Priority Jewels Ltd. follows a controlled manufacturing process covering the complete conversion of designs into finished jewellery. The process begins with a paper design, which is converted into CAD and CAM designs to create a 3D wax model. A rubber mould is then prepared, followed by wax replication and casting, where the wax is replaced with gold or other precious metals. The jewellery pieces subsequently undergo filing, polishing and diamond or gemstone setting, as applicable. Each finished product is subjected to quality control before being sent for hallmarking or certification and ultimately dispatched to customers. This integrated process enables the company to maintain consistency in product quality and adherence to design specifications.

Photographs of their manufacturing processes

A graphical presentation of their manufacturing process is set out below:

*Wax setting or hand setting is used based on product requirements

**Tumbling or Prepolish is used based on product requirements

Description of the Manufacturing Process: Priority Jewels Ltd. follows an integrated manufacturing process comprising multiple stages from design development to final quality control. The process begins with analysing historical sales data, market trends and regional preferences, following which its 39-member in-house design team develops and refines concepts using hand sketches and CAD technology. Selected designs undergo rapid prototyping, model making and rubber moulding before wax models are created and arranged into wax trees for casting. The wax is replaced with molten precious metal through the casting process, followed by sprue grinding, filing and assembly to achieve the desired shape and finish. Jewellery then undergoes tumbling, pre-polishing and ultrasonic cleaning before diamonds or gemstones are securely set using various techniques. Final polishing and rhodium plating are undertaken, where required, to enhance appearance and durability. The completed jewellery undergoes measurement, visual and mechanical inspections to verify purity, finish and quality before being sent for BIS hallmarking and certification. Diamonds and precious stones are also tested by independent laboratories prior to dispatch to customers.

Procurement of Raw Materials: Priority Jewels Ltd. primarily uses gold, diamonds, platinum, colour stones and other precious stones as raw materials for manufacturing its jewellery. The company procures gold through outright purchases using approved credit facilities and the Gold Metal Loan (GML) scheme. Under the GML arrangement, gold is sourced from authorised dealer banks without immediate price fixation, allowing the company up to 180 days to finalise prices and align price fixation with customer confirmations, thereby helping manage gold price volatility. Cut and polished diamonds and platinum are sourced from suppliers in Mumbai, Surat, Udaipur and the UAE, while colour and other precious stones are procured from Mumbai, Jaipur and Thailand. Silver and alloys are primarily sourced from Mumbai. The company procures cut and polished diamonds directly from third-party suppliers and does not undertake cutting or polishing in-house. Its diversified supplier base supports competitive procurement terms, although it does not maintain long-term contractual arrangements with suppliers. Raw material consumption stood at ₹4,771 million in FY26, accounting for 92.5% of total expenses, highlighting the material cost-intensive nature of the business. The table below sets forth the contribution of their top 3, 5 and 10 suppliers to their cost of raw material for the three months ended June 30, 2026 and the last three Fiscals stated:

Particulars	3M FY27 Amount (₹ million)	% of Raw Material Cost	FY26 Amount (₹ million)	% of Raw Material Cost	FY25 Amount (₹ million)	% of Raw Material Cost	FY24 Amount (₹ million)	% of Raw Material Cost
Top 10 Suppliers	789	59.4%	2,677	56.6%	1,732	50.8%	1,902	49.2%
Top 5 Suppliers	577	43.4%	2,142	45.3%	1,247	36.5%	1,500	38.8%
Top 3 Suppliers	463	34.9%	1,666	35.2%	975	28.6%	1,196	30.9%

Hedging Practices: The Company procures precious metal, i.e., gold, from authorised banks under the Gold Metal Loan (GML) scheme at unfixed prices. At the time of sale of finished products to customers, the Company simultaneously fixes the price of gold with the lending banks, in order to mitigate the risk associated with gold price fluctuations. Additionally, to manage foreign exchange exposure arising from export receivables, the Company enters into forward contracts during periods of currency volatility, seeking to minimise the risk of adverse currency fluctuations.

Inventory Management, Security, and Logistics: Priority Jewels Ltd. follows a structured inventory management system combining real-time tracking, barcode-based identification and periodic physical audits to maintain accurate inventory records. Procurement is guided by order patterns, inventory turnover and seasonal demand forecasts to optimise stock levels. The manufacturing facilities are secured through CCTV surveillance, while finished jewellery is stored in secure vaults with restricted access. Raw materials and finished products are fully insured and transported through secured third-party logistics providers. Individual envelope tracking enables monitoring of each jewellery piece throughout the process, supporting inventory control, asset security and operational continuity.

Revenue Model/ Sales: The company follows a B2B business model focused on designing, manufacturing and selling lightweight, affordable and aspirational jewellery to independent jewellers and jewellery chains. Revenue is primarily generated from domestic sales and exports of finished jewellery, diamonds and other precious stones. The company has an extensive domestic distribution network and exports to markets including the US, UAE, Hong Kong, Belgium, Australia and Norway. To manage international receivables, the company conducts customer due diligence, obtains independent credit reports, monitors outstanding balances and follows up regularly for timely collections, thereby supporting cash flow management and reducing default risks.

- *Domestic Sales:* Their domestic revenue for each jewellery segment over the recent reporting periods is summarised below:

Particulars	3M FY27 (₹ million)	% of Revenue	FY26 (₹ million)	% of Revenue	FY25 (₹ million)	% of Revenue	FY24 (₹ million)	% of Revenue
Finished Jewellery	545	37.1%	1,741	32.3%	1,440	33.1%	1,433	34.9%
Diamonds & Other Precious Stones	157	10.7%	830	15.4%	1,085	24.9%	746	18.2%

- *Export Sales:* Their export revenue for each jewellery segment over the recent reporting periods is summarised below:

Particulars	3M FY27 (₹ million)	% of Revenue	FY26 (₹ million)	% of Revenue	FY25 (₹ million)	% of Revenue	FY24 (₹ million)	% of Revenue
Finished Jewellery	297	20.2%	1,265	23.5%	821	18.9%	981	23.9%
Diamonds & Other Precious Stones	414	28.2%	1,294	24.0%	743	17.1%	732	17.8%

Customers: They supply their products to jewellery chains, including CaratLane Trading Private Limited, Kalyan Jewellers India Limited, Reliance Retail Limited, Malabar Gold & Diamonds FZCO, Tribhovandas Bhimji Zaveri Limited, and Senco Gold Limited. The following table set forth the revenue from their top 5 and top 10 customers for the periods indicated

Particulars	3M FY27 (₹ million)	% of Revenue	FY26 (₹ million)	% of Revenue	FY25 (₹ million)	% of Revenue	FY24 (₹ million)	% of Revenue
Revenue from Top Five Customers	489	33.4%	1,623	30.1%	1,723	39.6%	1,710	41.7%
Revenue from Top Ten Customers	780	53.2%	2,583	47.9%	2,306	53.0%	2,369	57.7%

Their business operations are primarily conducted through purchase orders received from their customers, including independent jewellers and jewellery chains. They follow a structured process where orders are placed based on agreed specifications, quantities, and delivery schedules, often tailored to the unique design requirements of their customers. These orders are fulfilled in accordance with their stringent quality standards and timelines. The table below sets forth the revenue derived from their top 10 customers, for the periods indicated:

Particulars	3M FY27 Amount (₹ million)	% of Revenue	FY26 Amount (₹ million)	% of Revenue	FY25 Amount (₹ million)	% of Revenue	FY24 Amount (₹ million)	% of Revenue
Customer 1	131	9.0%	563	10.4%	877	20.1%	818	19.9%
Customer 2	123	8.4%	332	6.2%	235	5.4%	293	7.1%
Customer 3	84	5.7%	277	5.1%	218	5.0%	222	5.4%
Customer 4	81	5.6%	234	4.3%	214	4.9%	215	5.2%
Customer 5	69	4.7%	218	4.0%	178	4.1%	163	4.0%
Customer 6	69	4.7%	215	4.0%	145	3.3%	159	3.9%
Customer 7	64	4.4%	205	3.8%	122	2.8%	152	3.7%
Customer 8	56	3.8%	199	3.7%	122	2.8%	133	3.2%
Customer 9	52	3.6%	177	3.3%	98	2.3%	115	2.8%
Customer 10	50	3.4%	163	3.0%	97	2.2%	100	2.4%
Top 10 Customers – Total	**780**	**53.2%**	**2,583**	**47.9%**	**2,306**	**53.0%**	**2,369**	**57.7%**

Quality Control: Priority Jewels Ltd. follows a stringent quality control process across the entire jewellery manufacturing cycle to ensure consistent product quality and strengthen long-term customer relationships. Its facilities are registered with BIS for hallmarking, while diamonds are certified by recognised independent laboratories. Precious metals, diamonds and gemstones sourced from certified suppliers are tested for purity, weight and quality using spectrometry and CVD testing. Designs and prototypes are checked for accuracy, structural integrity and aesthetics before production. During manufacturing, wax models, casting, stone setting, handcrafting and polishing undergo stage-wise inspections. Precious stones are set using high-powered microscopes, while finished jewellery undergoes final inspection for design, finish, durability and diamond security. Products are subsequently hallmarked as per BIS norms, with diamonds tested against the 4Cs standards. Regular employee training, advanced CAD, 3D printing and laser technologies, along with customer feedback, support continuous improvement.

Financial & Operational Performance Indicators: The following table sets forth certain information relating to the company's key operational and financial metrics:

Particulars	3M FY27	FY26	FY25	FY24
Operational KPIs				
Installed Capacity (kg)	700	700	700	700
Actual Production (kg)	102	458	567	580
Capacity Utilisation (%)	58.0%*	65.0%	81.0%	83.0%
Financial KPIs				
Revenue from Operations (₹ million)	1,467	5,389	4,355	4,105
Domestic Sales (₹ million)	740	2,741	2,769	2,367
Domestic Sales (%)	50.4%	50.9%	63.6%	57.7%
Export Sales (₹ million)	727	2,648	1,586	1,738
Export Sales (%)	49.6%	49.1%	36.4%	42.3%
EBITDA (₹ million)	103	336	243	193
EBITDA Margin (%)	7.0%	6.2%	5.6%	4.7%
PAT (₹ million)	65	176	105	71
PAT Margin (%)	4.4%	3.3%	2.4%	1.7%
Return on Equity (%)	4.6%*	14.5%	10.5%	7.4%
Return on Capital Employed (%)	6.9%*	25.4%	22.4%	17.5%
Debt-Equity Ratio (x)	0.76	0.74	1.39	1.32
Net Debt to EBITDA (x)	10.26*	2.86	4.89	5.68
Working Capital Days	145	148	172	167
Gross Block (₹ million)	432	413	384	370

** Not Annualised*

Key Strengths:

➢ **Diversified product portfolio supported by design capabilities and customer-centric approach**

Priority Jewels Ltd. offers a broad and evolving portfolio of aspirational yet affordable jewellery, comprising rings, earrings, pendants, neckwear, bracelets, mangalsutras and couture jewellery. The portfolio caters to diverse customer preferences, price points and occasions, covering both contemporary and traditional daily-wear products as well as special-occasion jewellery. This product diversification enables the company to address region-specific preferences across India and select international markets. Its product development is supported by a 39-member in-house design team that closely tracks market trends, customer feedback and historical sales data to identify emerging preferences and develop new collections. The team produced 8,356 designs in FY26, compared with 6,401 in FY25, demonstrating its focus on continuous product innovation. The company also collaborates with an international design partner to remain aligned with global jewellery trends. Its ability to develop bespoke designs based on customer requirements further strengthens its value proposition as a B2B jewellery manufacturer. With increasing consumer preference for lightweight, branded and diamond-studded jewellery, Priority Jewels is well positioned to expand its product offerings and capture growing demand across different customer segments and geographies.

➢ **Integrated manufacturing facilities and established operational systems**

Priority Jewels Ltd. operates integrated manufacturing facilities at MIDC and SEEPZ, Mumbai, supporting its domestic and export businesses. The MIDC facility, established in 2008, spans 19,009 sq. ft. and is equipped with advanced casting, CAD/CAM and 3D printing capabilities, enabling faster production by reducing dependence on traditional mould-making processes. Its SEEPZ facility, established in 2012, spans 6,822 sq. ft. and caters primarily to overseas demand. As of June 30, 2026, operations were supported by 211 permanent and 245 contractual employees. The integrated setup covers design conceptualisation, manufacturing and supply of finished jewellery, enabling greater control over quality, metal losses and costs while facilitating competitive pricing and faster turnaround. The company also maintains sourcing relationships across Mumbai, Surat and Udaipur for diamonds and platinum, while its use of Gold Metal Loan (GML) facilities helps manage gold price volatility. These capabilities support efficient supply-chain management, consistent quality and customised production.

➢ **Longstanding relationships with customers**

Priority Jewels Ltd. has established longstanding relationships with a diverse customer base, with some key relationships extending for 8–16 years. Consistent product quality, responsive service and the ability to address evolving customer requirements have supported recurring orders and customer retention. Its domestic clientele includes leading jewellery retailers such as CaratLane Trading, Kalyan Jewellers, Reliance Retail, Tribhovandas Bhimji Zaveri and Senco Gold, along with established family-run jewellers. Internationally, the company serves customers including Bafleh Gems & Jewellery, Bafleh Jewellery, Malabar Gold & Diamonds in Dubai and DV Jewelry Corporation in the US. These relationships provide recurring business, improve customer visibility and offer valuable insights into changing market preferences, while also creating entry barriers for competitors.

➢ **Strong presence across domestic and international markets**

Their geographical customer distribution as of June 30, 2026, spans India and key global markets. Their customers are located in markets across 18 states and 3 union territories in India and 8 countries outside India.

The revenue distribution from Indian and international operations for the three months ended June 30, 2026 and Fiscals 2026, 2025, and 2024 is as follows:

Particulars	3M FY27 Amount (₹ million)	% of Revenue	FY26 Amount (₹ million)	% of Revenue	FY25 Amount (₹ million)	% of Revenue	FY24 Amount (₹ million)	% of Revenue
Revenue from Overseas	727	49.6%	2,648	49.1%	1,586	36.4%	1,738	42.3%
Revenue from India	740	50.4%	2,741	50.9%	2,769	63.6%	2,367	57.7%
Total Revenue	**1,467**	**100.0%**	**5,389**	**100.0%**	**4,355**	**100.0%**	**4,105**	**100.0%**

It has established a presence across domestic and international markets, reducing dependence on any single geography and enabling it to address diverse customer requirements. Overseas markets contributed ₹2,648 million, or 49.1% of revenue, in FY26, up from 36.4% in FY25, while domestic operations contributed ₹2,741 million, or 50.9%. This balanced revenue mix reflects the company's expanding international presence alongside a strong domestic customer base. Its diversified geographical footprint provides access to growth opportunities across markets, supports revenue stability and helps mitigate geographical concentration risks.

Key Strategies:

- **Expansion of manufacturing facilities**

Priority Jewels Ltd. is focused on expanding its manufacturing capacity to meet increasing demand and support scalable growth. The company is increasing floors at its MIDC manufacturing facility, for which it received the commencement certificate in January 2025. Alongside capacity expansion, it plans to upgrade equipment and technology, implement lean manufacturing practices to reduce waste and production lead times, and improve overall operational efficiency. The company also intends to strengthen workforce capabilities through targeted training and enhance supplier and logistics partnerships to ensure reliable raw material availability. Increased capacity and streamlined processes are expected to improve responsiveness to evolving customer preferences, strengthen operational resilience and support higher market share and profitability.

- **Strengthen customer relationships**

Priority Jewels Ltd. aims to deepen relationships with existing customers by increasing recurring sales and expanding business engagements, while simultaneously diversifying its customer base across untapped domestic and international markets. The company leverages its design capabilities and market intelligence to align products with evolving preferences and industry trends. It added five new corporate clients in FY25 and plans to further expand its clientele by participating in leading jewellery exhibitions such as IIJS Signature and IIJS Premier, along with international trade shows. These initiatives are expected to improve customer retention, reduce client concentration, generate new business opportunities and support sustainable revenue growth.

- **Enhance product portfolio to broaden customer base and improve margins**

Priority Jewels Ltd. plans to continuously expand and innovate its product portfolio to address evolving preferences of B2B customers, including jewellery retailers, chains and distributors. The company tracks consumer trends through platforms such as Instagram and Pinterest to develop affordable, stylish and lightweight daily-wear jewellery aimed particularly at younger consumers. It also intends to increase its focus on lab-grown diamond jewellery, which can be manufactured using largely similar processes and equipment as natural diamond jewellery. While currently contributing an immaterial share of revenue, the company plans to expand this offering through B2B customers and potentially through offline and online retail channels. Additionally, Priority Jewels intends to broaden its gold jewellery portfolio across 9, 14, 18 and 22 karat segments and introduce premium categories. This wider product range is expected to help address diverse customer requirements, increase order values, attract new customers and improve margins through higher-value offerings.

- **Focus on growth through strategic partnerships and joint ventures**

Priority Jewels Ltd. plans to pursue selective strategic partnerships and joint ventures to strengthen its domestic presence, expand into new product segments and access emerging markets. The company intends to target Tier 2 and Tier 3 cities, where rising demand for affordable, design-led jewellery presents growth opportunities, by partnering with businesses possessing local market knowledge and established networks. It has incorporated Bombay Carats.com Private Limited, Venice Dia Jewel Private Limited and Acura Jewels Private Limited to diversify across silver, lab-grown, and middle-to-high-end jewellery segments. Its associate Brillix, formed with Gofibo Jewelry Private Limited, focuses on manufacturing and exporting fashion silver jewellery to the US. These collaborations enable the company to leverage partner expertise, infrastructure and customer networks while reducing market-entry risks. Priority Jewels also plans to explore adjacent jewellery value-chain opportunities, including jewellery findings such as chains, spring locks, posts and backs. This partnership-led approach is expected to support geographic expansion, product diversification, capital efficiency and long-term scalability.

- **Capitalise on India's economic growth and evolving consumer demand**

Priority Jewels Ltd. aims to leverage India's economic growth, rising disposable incomes, urbanisation and increasing consumer preference for lightweight and contemporary jewellery. The Indian gold and diamond jewellery market, valued at ₹6,134 billion in CY25, is projected to reach ₹10,430 billion by CY30, while the daily-wear gems and jewellery market is expected to grow from ₹1,192 billion to ₹2,357 billion, implying a CAGR of 14.6%. Rising incomes in Tier 2 and Tier 3 cities, expanding organised retail and growing acceptance of branded jewellery are expected to support demand. The company plans to align its portfolio with these trends through continuous product innovation, customised designs and expansion of distribution partnerships focused on Tier 2 and Tier 3 markets. It also intends to undertake targeted marketing initiatives, closely monitor consumer preferences and leverage market feedback to refine its offerings. These initiatives are expected to strengthen its domestic presence and support sustainable revenue growth.

- **Optimise debt structure to improve financial health**

Priority Jewels Ltd. intends to reduce its debt burden by repaying and prepaying a portion of its existing secured borrowings. As of June 30, 2026, the company had total outstanding borrowings of ₹1,105 million. The proposed debt reduction is expected to lower interest costs, improve profitability and strengthen its debt-to-equity ratio. By combining deleveraging with operational improvements, the company aims to achieve an optimal capital structure that enhances financial stability and reduces dependence on external borrowings. A stronger balance sheet is also expected to provide greater flexibility to fund future investments and pursue growth opportunities.

- **Leverage advanced technology to enhance efficiency**

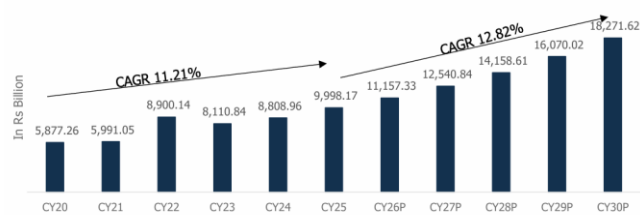
The Company plans to leverage technology to optimise labour utilisation, reduce material wastage and minimise production downtime. Its manufacturing facilities are equipped with modern machinery, including CAD/CAM systems, laser technology, electropolishing machines, lab-grown diamond detection machines, micro-setting machines, CNC cutting and 3D printing machines. These technologies support precision manufacturing, faster production and improved product quality. The Company also intends to invest in additional machinery as it expands its MIDC facility and explore 3D printing for direct casting to further streamline operations. In addition, it plans to customise its ERP system to improve inventory and production-cycle management, with potential adoption of just-in-time inventory practices to reduce holding costs and improve responsiveness to customer demand.

Industry Snapshot:

- **Overview of Indian Gems & Jewellery Industry:** The Indian gems and jewellery industry is a significant contributor to the economy, accounting for around 7.0% of GDP and 15.0% of merchandise exports. India is also the world's largest diamond cutting and polishing hub, producing nearly 90.0% of global polished diamonds by volume. The industry spans gold, diamond, coloured gemstone and diamond-studded jewellery, with gold jewellery remaining the dominant segment due to its cultural significance and strong demand during weddings and festivals. The industry is gradually formalising, with organised players benefiting from rising preference for branded products, quality assurance and contemporary designs. Government initiatives such as mandatory hallmarking, the Gold Monetisation Scheme and easing of gold import restrictions are supporting the organised ecosystem. Manufacturing activity remains concentrated in key states including Maharashtra, Gujarat and Tamil Nadu, while industry trade fairs continue to support innovation, collaborations and domestic and international market development.

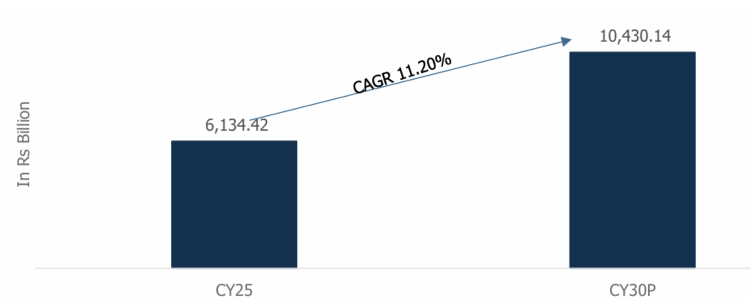
  - *Indian Gems & Jewellery Industry Market Size:* The Indian gems and jewellery industry has historically been highly fragmented, with small, family-owned and unorganised jewellers dominating Tier-II, Tier-III and rural markets. Jewellery purchases have traditionally been relationship-driven, supported by trust, customised designs, credit flexibility and assurance of purity. The unorganised segment accounted for nearly 70.0–75.0% of the market around a decade ago, though its share has gradually declined with increasing formalisation. The organised segment now accounts for around 35.0–40.0% of the market, supported by GST, mandatory hallmarking, greater pricing transparency and expanding organised retail chains. Consumers, particularly in metro and Tier-I cities, are increasingly preferring branded jewellery and are willing to pay a premium for trusted brands, quality assurance and contemporary designs.

Indian Gems & Jewellery Industry Market Size (CY20-CY30P)

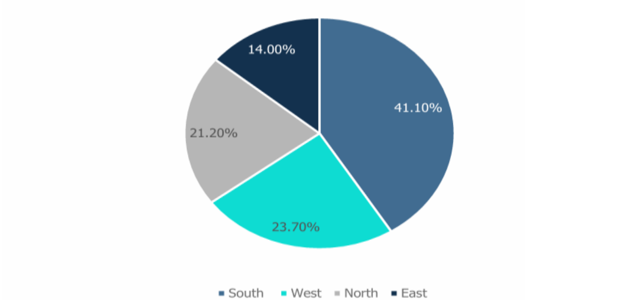


  - *Indian Gold and Diamond jewellery industry market:* The Indian gold and diamond jewellery market was valued at ₹6,134.42 billion in CY25 and is projected to reach ₹10,430.14 billion by CY30P, implying a CAGR of 11.2%. Growth is expected to be driven by rising disposable incomes, urbanisation, increasing preference for branded and hallmarked jewellery, and sustained wedding and festive demand. The growing adoption of lightweight and diamond-studded jewellery, particularly for daily wear, along with the expansion of organised retail and omnichannel distribution, is expected to further support market growth. Regionally, the West accounted for 41.1% of the industry in CY25, the largest share among all regions. Maharashtra remains an important jewellery market, supported by replacement purchases, product upgrades and evolving fashion preferences.

Indian Gold and Diamond Jewellery Industry Market Size (CY25 Vs CY30P)



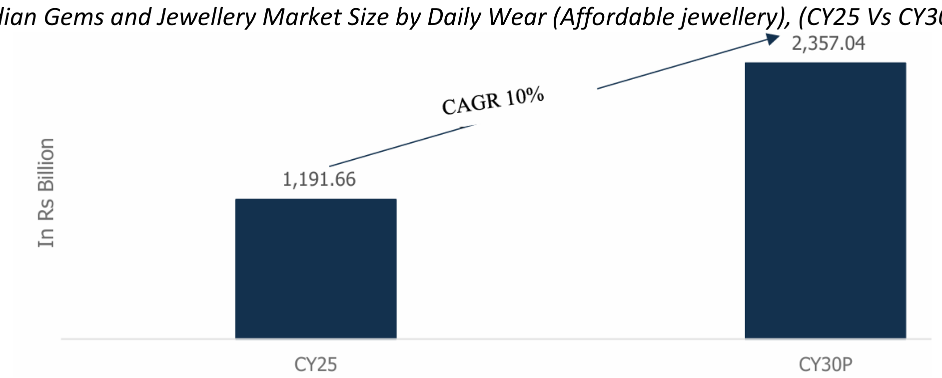
Indian Jewellery Industry Breakup by Region (% Share) in CY25



  - *Indicative Share of Indian Retail Gems and Jewellery Industry:* India's retail gems and jewellery market is highly diversified by material type, with gold accounting for the largest 80.1% share in CY25, followed by diamonds at 10.1%, silver at 5.2% and other materials at 4.6%. Gold remains the foundation of jewellery demand due to its cultural and investment significance, while lightweight and contemporary designs are gaining traction among younger consumers. Diamond jewellery benefits from rising disposable incomes, premiumisation and increasing preference for branded products, particularly for weddings and special occasions. Silver and alternative materials cater to affordability and fashion-oriented demand. Gold prices remain sensitive to interest rates, geopolitical tensions and safe-haven demand, with international prices reaching USD 4,872.89 per troy ounce in Q1CY26, potentially impacting jewellery affordability and consumer demand.

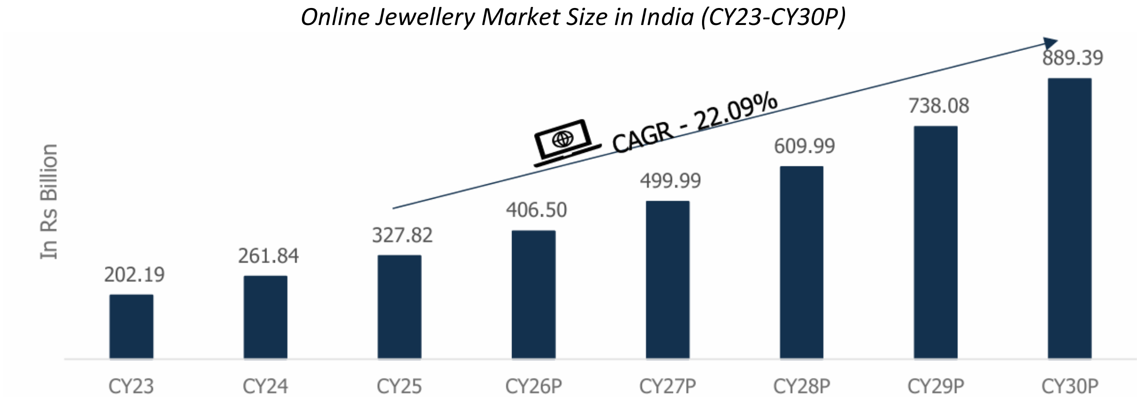
- **Overview of Indian Light-Weighted Jewellery Market:** The Indian lightweight jewellery market was valued at ₹2,748.24 billion in CY25 and is projected to reach ₹5,457.92 billion by CY30P, registering a strong 14.7% CAGR. The segment is benefiting from changing consumer preferences towards jewellery that combines affordability, comfort, versatility and contemporary design. Younger consumers, particularly those entering the workforce, are increasingly favouring lightweight and daily-wear jewellery over traditional heavy pieces. Rising online retail penetration and the influence of social media platforms such as Instagram and Pinterest are further accelerating demand for trend-led designs and enabling faster adoption of new styles. Within the broader segment, the daily-wear affordable jewellery market, valued at ₹1,191.66 billion in CY25, is projected to reach ₹2,357.04 billion by CY30P, implying a 14.6% CAGR. The trend towards combining gold with semi-precious stones and alloys is also creating an affordable-luxury proposition suitable for both casual and formal occasions. This structural shift presents attractive growth opportunities for manufacturers with strong design and product-development capabilities.

Indian Gems and Jewellery Market Size by Daily Wear (Affordable jewellery), (CY25 Vs CY30P)



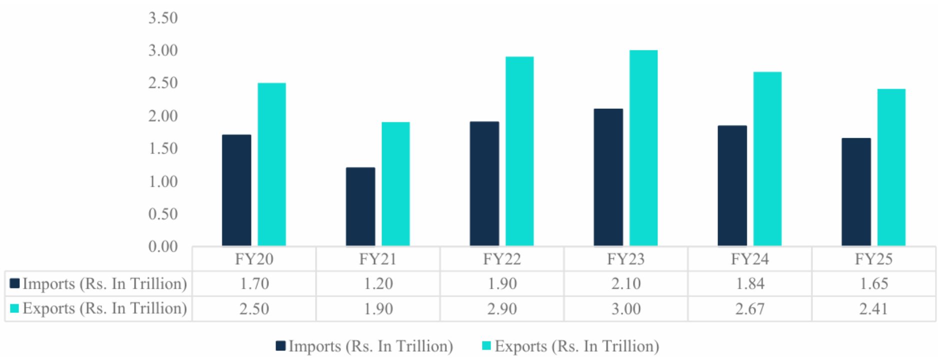
- **Overview of Online Jewellery Market Size in India:** India's online jewellery market was valued at ₹327.82 billion in CY25 and is projected to reach ₹889.39 billion by CY30P, reflecting strong growth as digital adoption and consumer trust increase. Although online penetration remains in the high single digits, organised jewellers are increasingly adopting omnichannel models, integrating online and offline experiences through virtual try-ons, home trials, click-and-collect and personalised recommendations. Demand is particularly supported by millennials and Gen Z consumers seeking affordable, lightweight and contemporary jewellery, including gold, lab-grown diamonds and diamond-studded products. Competitive pricing, EMI options, transparent pricing, certification, and buyback and exchange policies are further improving consumer confidence. The increasing shift towards organised players, supported by Tier II/III city expansion and digital adoption, is expected to make online and omnichannel channels an increasingly important growth driver for the Indian jewellery industry.

Online Jewellery Market Size in India (CY23-CY30P)



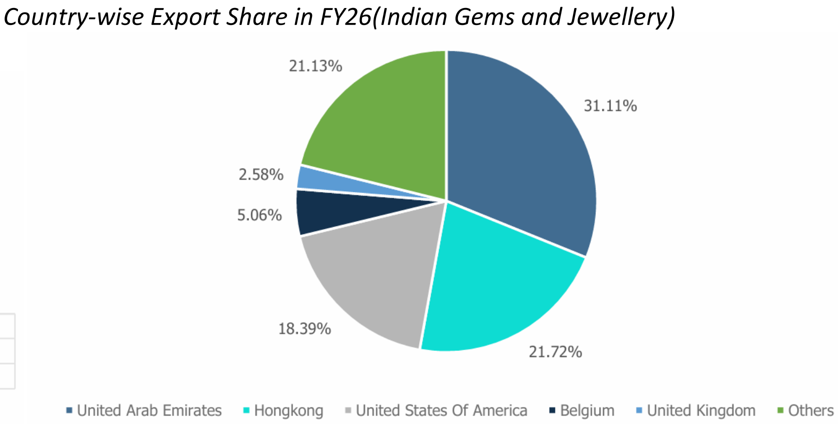
- **Overview of Imports and Exports of Gems and Jewellery in India:** India's gems and jewellery trade remained robust in FY26, with exports at ₹2.44 trillion, broadly stable compared with FY25, while gross imports increased 21.5% YoY to ₹2.02 trillion from ₹1.67 trillion. The Government continues to prioritise the sector for export promotion by supporting SME exporters, addressing industry challenges and facilitating entry into new markets. Indian jewellery has established a strong presence across the USA, UAE, Hong Kong, Israel, Switzerland and Belgium, supported by competitive manufacturing capabilities. The UAE remained the largest export destination, accounting for 31.1% of India's total G&J exports in FY26, followed by Hong Kong (21.7%) and the USA (18.4%). Exports to the Middle East reached ₹884.67 billion in FY26, registering 16.8% YoY growth, despite a modest 4.3% CAGR during FY20–FY26. The India-UAE CEPA, effective since 2022, has supported trade through preferential tariffs and streamlined customs procedures, although its overall impact remains gradual.

Yearly Import Export Trends - Overall Gems and Jewellery



	FY20	FY21	FY22	FY23	FY24	FY25
Imports (Rs. In Trillion)	1.70	1.20	1.90	2.10	1.84	1.65
Exports (Rs. In Trillion)	2.50	1.90	2.90	3.00	2.67	2.41

Country-wise Export Share in FY26(Indian Gems and Jewellery)

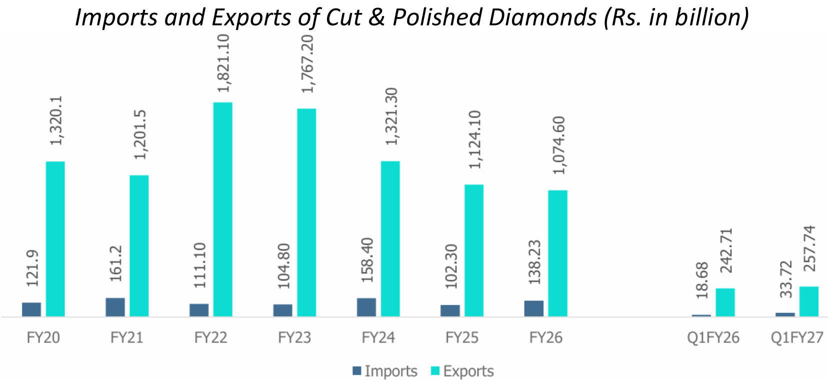


  - *Product-Segment Wise Import and Export Trend:* India remains a major importer of rough diamonds, with FY26 imports rising marginally by 0.9% YoY to ₹922.17 billion, accounting for 45.5% of total G&J imports, while exports declined 28.0% YoY to ₹25.42 billion amid subdued global demand and price correction. Gold jewellery exports grew 4.7% YoY to ₹993.70 billion, supported by demand from the US, Hong Kong and Middle East, along with rising preference for lightweight and plain gold jewellery. India, the world's second-largest gold consumer, imported ₹6,395.22 billion of raw gold in FY26, with volumes of 719,930 kg. Import duty on gold and silver was subsequently increased from 6% to 15% in May 2026, comprising 10% BCD and 5% AIDC.

➢ **Key Demand Drivers and Opportunities for Jewellery in India:** Jewellery demand in India is primarily driven by weddings, festivals and harvest seasons, making the market inherently seasonal. Rising disposable incomes are another key structural driver, with per capita GNDI growing at a CAGR of 8.88% during FY14–FY24 and reaching ₹2,49,195 in FY26. The expanding middle class and demographic dividend are expected to support higher jewellery consumption. Increasing exposure to global fashion trends, social media and influencers is driving demand for contemporary and innovative designs, particularly among younger consumers. Organised jewellers are also benefiting from monthly gold-savings schemes and easier access to gold loans, enabling consumers to spread payments and improve affordability. Further, rising brand consciousness, demand for transparency, quality assurance and certified jewellery is encouraging consumers to shift towards organised players. Growing preference for lightweight and affordable jewellery, along with innovative materials and designs, provides additional opportunities for manufacturers to address evolving consumer preferences across urban, Tier II and Tier III markets.

➢ **Overview of Cut and Polished Diamonds:** India remains the world's largest hub for cutting and polishing diamonds, accounting for nearly 90% of global polished diamond supply by volume, with the US and Hong Kong being key markets. The cut and polished diamond segment is largely export-oriented, with FY26 exports declining 4.4% YoY to ₹1,074.60 billion, due to weak demand in the US and China and rising preference for lab-grown diamonds. In contrast, imports increased 35.1% YoY to ₹138.23 billion. In FY26, Hong Kong accounted for 33.3% of India's cut and polished diamond exports, followed by the UAE at 21.0% and the US at 15.4%. Government measures, including reduction in BCD on cut and polished diamonds to 2.5% in FY27, are expected to improve industry competitiveness.

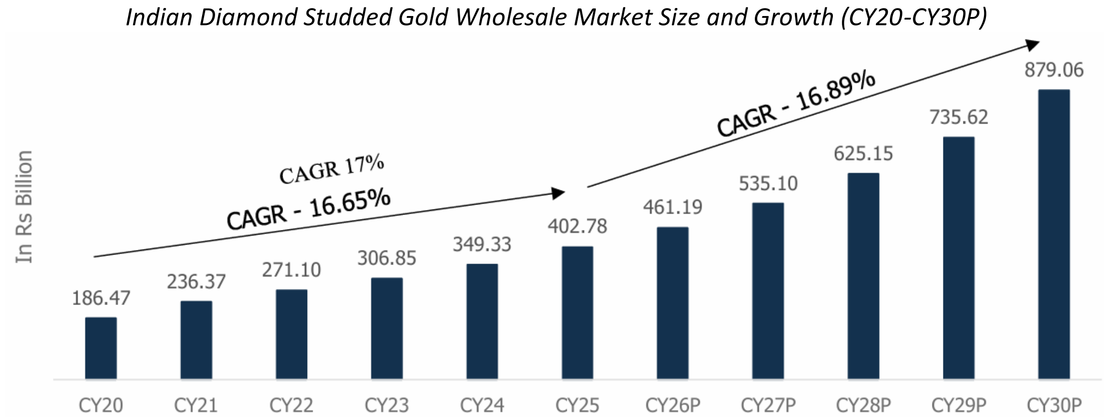
Imports and Exports of Cut & Polished Diamonds (Rs. in billion)



➢ **Overview of Lab-Grown Diamonds:** Diamond-studded gold jewellery is a growing segment, supported by rising disposable incomes, increasing brand preference and global fashion influences. India is the second-largest consumer of diamond jewellery globally, accounting for 11% of global consumption, with millennials and young professionals increasingly preferring lightweight and contemporary designs. Customisation, e-commerce and growing acceptance of lab-grown diamonds are further expanding the market. However, fluctuating diamond and gold prices, import duties and the sizeable unorganised segment remain key challenges. Platinum jewellery remains a niche but expanding category, particularly among urban and younger consumers, driven by its rarity, durability and premium positioning. Lightweight, minimalist and gender-neutral designs are broadening its appeal, while Pt950 certification enhances consumer confidence. Industry campaigns promoting platinum as a symbol of modern relationships are also supporting awareness and adoption.

➢ **Overview of the Diamond Studded Gold and Platinum Jewellery:** The Indian diamond-studded gold wholesale market was valued at ₹402.78 billion in CY25, growing at a 16.65% CAGR during CY20–CY25. The market is expected to expand at a 16.89% CAGR during CY25–CY30, reaching ₹879.06 billion by CY30P. Growth is supported by an expanding middle class, increasing preference for branded jewellery, and greater penetration of organised retail, which has improved accessibility and consumer trust. Rising adoption of customised and contemporary designs and the expansion of online shopping platforms are further broadening market reach. India's strong position in global gems and jewellery exports also provides manufacturers with opportunities to tap international demand. Increasing consumer awareness regarding quality and value is additionally driving a shift towards diamond-studded jewellery, supporting sustained growth in the wholesale market.

Indian Diamond Studded Gold Wholesale Market Size and Growth (CY20-CY30P)



- *Indian Diamond Studded Gold Wholesale Market Breakup by Manufacturer:* The Indian diamond-studded gold wholesale market remains fragmented, with the unorganised segment accounting for 57.34% in CY25, valued at ₹230.94 billion, while organised manufacturers held 42.66%, valued at ₹171.84 billion. Unorganised players benefit from lower overheads, traditional craftsmanship and strong understanding of local preferences, enabling competitive pricing and customised offerings. However, organised manufacturers are gaining traction amid rising disposable incomes, demand for branded and personalised jewellery, sustainability awareness and technological adoption such as 3D printing. By CY30P, the unorganised segment is projected to reach ₹479.09 billion, with its share declining to 54.50%, while the organised segment is expected to reach ₹399.97 billion, increasing its share to 45.50%. Expansion into Tier II and III cities, stronger branding and technological capabilities are expected to support continued formalisation of the market.

- **Indian Wholesale Gold Jewellery Market**

  - *Breakup by Wearing:* The Indian wholesale gold jewellery market is dominated by bridal wear, accounting for 55.5% in CY25, followed by occasional wear (34.0%) and daily wear (10.5%). Bridal demand is supported by India's ~10 million weddings annually, with strong preference for gold, diamonds, Kundan and Polki. Occasional wear benefits from festivals and family events, while daily wear is gaining traction among urban and semi-urban consumers seeking lightweight, minimalist and affordable designs.

  - *Breakup by Product Type:* The Indian wholesale gold jewellery market is led by bangles/bracelets, accounting for 33.18% of the market in CY25, followed by chains (25.71%), neckwear (18.26%), rings (11.73%), earrings (5.16%) and others (5.96%). Demand is supported by weddings, festivals and gifting, while younger and urban consumers increasingly prefer lightweight, contemporary and customisable designs.

- **Regulatory Process and Framework for the Gems and Jewellery Industry in India:** India's gems & jewellery industry benefits from a supportive regulatory framework, with 100% FDI permitted under the automatic route. GST is levied at 3% on gold sales, 5% on jewellery making charges and 1.5% on cut and polished diamonds. The 2025–26 Union Budget reduced basic customs duty on jewellery articles and parts from 25% to 20%, while platinum findings duty was reduced to 5%. Hallmarking, mandatory since June 2021, requires gold jewellery to carry the BIS logo, purity mark and six-digit HUID, enhancing transparency and consumer protection. Government-backed bodies such as GJEPC and GJSCI support exports, skill development, technology adoption and industry formalisation. Jewellery parks and SEZs such as SEEPZ Mumbai and Sitapura Jaipur further provide integrated manufacturing infrastructure. These measures, alongside trade promotion and skill-development initiatives, are supporting formalisation, technology adoption and competitiveness of the Indian jewellery industry.

Comparison with listed entity:

Name of the Company	Standalone / Consolidated	Total Revenue FY26 (₹ million)	Face Value per Equity Share (₹)	P/E (x)	EPS – Basic & Diluted (₹)	RoNW (%)	NAV (₹ per share)	PAT (₹ million)	Market Cap (₹ million)
Priority Jewels Ltd.	Consolidated	5,389	10	**20.5**	14.03	12.7%	103.30	176	**3,600**
Industry Peers									
Khazanchi Jewellers Ltd.	Standalone*	20,492	10	22.24	36.10	28.0%	129.13	894	19,823
RBZ Jewellers Ltd.	Standalone*	6,365	10	10.08	13.70	18.3%	74.96	548	5,882
Ashapuri Gold Ornament Ltd.	Standalone*	3,172	1	7.02	0.56	11.1%	5.00	186	1,303

**No consolidated financials available or applicable.*

Note – 1) P/E, P/BV Ratio has been computed based on the closing market price of equity shares on NSE on 26th August, 2026, other financial highlights as on 31st March 2026

2) NAV, EPS, P/E* to sales of the Priority Jewels is calculated on EPS of FY26, and post issue no. of equity shares issued.

Key Risks

- **Customer concentration risk**: The top 10 customers contributed 53.2% and the top five 33.4% of revenue in Q1FY27. Customer loss or lower orders could materially impact performance.
- **Raw material availability and cost risk:** Raw materials accounted for 92.5% of total expenses in FY26. Absence of long-term supplier agreements exposes the Company to price and supply disruptions.
- **Supplier concentration risk:** The top 10 suppliers accounted for 59.4% of raw material purchases in Q1FY27, while the top 3 contributed 34.9%, increasing supply-chain dependency.
- **Export and geopolitical risk:** Exports contributed 49.1% of revenue in FY26, with UAE accounting for 37.5% of export revenue. Geopolitical conflicts, trade restrictions and logistics disruptions could impact sales and margins.
- **Geographic concentration risk:** Maharashtra accounted for 69.1% of domestic revenue in FY26, making the Company significantly dependent on the state; any regional slowdown could impact performance.
- **Manufacturing concentration risk:** The Company relies exclusively on two manufacturing facilities in Maharashtra, exposing operations to regional disruptions, regulatory changes, equipment breakdowns, power outages and other unforeseen events.
- **Negative cash flow risk:** The Company reported negative operating cash flow of ₹61.0 million in Q1FY27 and ₹18.2 million in FY24. Sustained cash outflows could constrain liquidity.
- **High working capital requirement:** As of June 30, 2026, the Company had utilised ₹967.5 million of working capital loans against sanctioned limits of ₹1,097.0 million, exposing it to funding and liquidity risks.
- **Receivables collection risk:** Trade receivables stood at ₹1,417.6 million in Q1FY27, with domestic and export receivable cycles of 76.1 and 80.5 days, respectively, exposing cash flows to collection delays.

Valuation

Priority Jewels Ltd. is a jewellery manufacturer focused on lightweight, affordable, diamond-studded gold and platinum jewellery, with a business model focused on backend manufacturing for leading jewellery retailers, similar to Sky Gold. Long-standing relationships with customers such as CaratLane, Kalyan Jewellers, Reliance Retail and Malabar Gold & Diamonds provide a strong foundation for future growth. Expansion into adjacent categories such as jewellery findings could further strengthen the product portfolio.

At the upper price band, based on FY26 earnings, the issue is valued at **20.5x** P/E and **13.9x** EV/EBITDA, implying a post-issue market capitalization of Rs 3,600 million, making the issue fully priced. However, the business remains exposed to fluctuations in gold prices, changing consumer preferences and competitive jewellery manufacturing industry. Going forward, capacity expansion, balance sheet deleveraging and diversification into silver jewellery, lab-grown diamond jewellery and high-end jewellery are expected to support growth. The Company is well positioned to benefit from the growing demand for affordable and designer jewellery. Thus, we assign a **"Subscribe for Long Term"** rating for the issue.

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- Analysts' ratings and the corresponding expected returns take into account our definitions of Large Caps, Mid Caps & Small Caps as described in the Ratings Table below:

Ratings Guide (12 months)	Buy	Hold	Sell
Large Caps (Top 100 companies)	**>15%**	**0%-15%**	**Below 0%**
Mid Caps (101st-250th company)	>20%	0%-20%	Below 0%
Small caps (251st company onwards)	>25%	0%-25%	Below 0%

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Contd.

- **Statements on ownership and material conflicts of interest, compensation - ARSSBL and Associates**
- **Answers to the Best of the knowledge and belief of ARSSBL/ its Associates/ Research Analyst who is preparing this report**

Sr. No.	Statement	Answers to the Best of the knowledge and belief of the ARSSBL/ its Associates/ Research Analyst who is preparing this report
1	Research analyst or research entity or his associate or his relative has any financial interest in the subject company and the nature of such financial interest.	No
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Compliance officer-Deepak Kedia, email id - deepakkedia@rathi.com, Contact no. +91 22 6281 7000.
Grievance officer-Madhu Jain-email id- grievance@rathi.com, Contact no. +91 22 6281 7191
ARSSBL registered address: Express Zone, A Wing, 10th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097.
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