

## Company Business

- ✦ Kabra Jewels Limited, founded in 2010, is engaged in the business of manufacturing and selling **diamond and gold studded jewelry**. Initially, the company focused solely on solitaire diamonds but later expanded its product offerings. Kabra Jewels is an established brand known for its quality and design. The company boasts a diversified product range and has a well-established relationship with its artisans (Karigars).
- ✦ Company operates in the **retail jewellery sector**, offering a diverse range of gold, diamond, and silver ornaments and our other offerings include gold and silver coins, utensils and other artifacts.
- ✦ Company's primary expertise is in designing and company market its exclusive creations under the brand name "**KK Jewels**".
- ✦ Company has a total 6 showrooms in the city of Ahmedabad.

**Company works under two types of business model:**

- ✦ **Model 1:** Where company procures goods directly from vendor. (**General Designs**)
- ✦ **Model 2:** Where company customize jewellery on the basis of their in-house specialized designs or on the basis of customer order. Company select vendor or karigar on the basis of their expertise for jewellery to be manufactured.

## Negative Points

### Negative

- ✦ High debts in the company.
- ✦ PAT Margins are lower than peers.
- ✦ The company operates only in Ahmedabad city, which limits its growth potential and geographic reach.
- ✦ The IPO funds will be used solely for loan repayment and working capital management. The company is not undertaking any new capital expenditure to drive revenue growth.
- ✦ Negative Operating cash flows.

## IPO Details

- ✦ IPO Size :  
**Fresh issue of 31,25,000 equity shares aggregating up to ₹ 40 Cr.**
- ✦ Face Value :  
**₹10 per equity share.**
- ✦ Listing :  
**NSE EMERGE platform.**
- ✦ Lead Manager :  
**Marwadi Chandarana Intermediaries Brokers Private Limited.**
- ✦ Issue Opens :  
**Wednesday, January 15, 2025.**
- ✦ Issue Closes :  
**Friday, January 17, 2025.**
- ✦ Pre IPO Promoter Holding :  
**89.12%**
- ✦ Post IPO Promoter Holding :  
**62.56%**

## Objects of the Issue

The net proceeds from the IPO will be utilized for the following:

- ✦ Repayment of certain borrowings :  
**₹10Cr**
- ✦ Working Capital Requirements :  
**₹22Cr**
- ✦ General Corporate Purpose

## Financials of the company

(Fig. in Cr)

Particulars	Nov 30, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	125.27	164	122.27	112.08
EBITDA	20	21.82	12.39	11.74
EBITDA Margins	15.97%	13.31%	10.14%	10.48%
PAT	8.80	9.39	4.40	5.40
PAT Margins	7.03%	5.73%	3.60%	4.82%
ROCE	14.14%	18.23%	13.62%	18.26%
CFOA	-19.39	15.81	-12.43	2.21

## Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/E Ratio	MCap	P/E
Kabra Jewels (FY 2024)	164 Cr.	13.31%	5.73%	2.58	134.20 Cr.	14.29*
Motisons Jewellers (TTM)	438 Cr.	15%	8.67%	0.26	2,528 Cr.	66.70
D.P. Abhushan (TTM)	2,832 Cr.	5%	2.93%	0.55	3,261 Cr.	39.20
RBZ Jewellers (TTM)	401 Cr.	11%	6.73%	0.55	795 Cr.	29.80

\*Forward PE is 10.16 on the basis of FY 25 PAT.



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