

Company Business

Company is in business of the manufacturing, wholesaling, and supplying of plain and studded gold jewellery and ornaments. The company primarily focuses on traditional Indian jewellery. Their product portfolio includes items such as rings, earrings, armlets, pendants, nose rings, bracelets, chains, necklaces, bangles, watches, luxury items, and other wedding jewellery. These products cater to customers across high-end, mid-market, and value market segments. The jewellery is made as per specific customer requirements on a job work basis at their manufacturing unit located in Ahmedabad, Gujarat, India. The company maintains flexibility in sourcing raw materials, primarily gold, due to price volatility and wide availability from various suppliers. Sales are driven through direct marketing, personal visits to potential clients, client referrals, and maintaining long-standing relationships with retailers and wholesalers.

Industry Analysis and TAM

The company operates in the Indian Gems & Jewellery Industry. As of January 2022, this sector contributed approximately 7% to India’s Gross Domestic Product (GDP) and employed around 5 million people. The Government has declared the gems and jewellery sector as a focus area for export promotion due to its growth potential and value addition.

Promoters and Promoter Group Holding

The promoters of the company are Mr. Nitinkumar Dalpatbhai Shah, Mr. Nihar Nitinbhai Shah, Ms. Manisha Nitinkumar Shah, and M/s. Shah Nitin Dalpatlal (HUF).

- ✦ Shareholding Pre IPO:99.99%
- ✦ Shareholding Post IPO: 72%

Negative Points

- ✦ Low profit margins
- ✦ Negative CFOA
- ✦ Geographical concentration as 100% revenue from Gujarat.
- ✦ Tax Proceedings against the directors and promoters. Aggregate amount involved is Rs. 38 Cr.

IPO Details

- ✦ The issue consists of a fresh issue of 34,98,000 Equity shares..
- ✦ The Issue Price is Rs. 25 per Equity Share.
- ✦ The Total Issue Size aggregates to Rs. 8.745 Crore.
- ✦ The issue opens on Tuesday, April 29, 2025, and closes on Tuesday, May 06, 2025.
- ✦ There is no Offer for Sale (OFS) by promoters, promoter group, or other selling shareholders.

Objects of the Issue

The company proposes to utilize the funds raised through this Issue for the following objects:

- ✦ To meet Working Capital Requirements: Rs. 6.56 Cr.
- ✦ General Corporate Purposes

Financials of the company

(Fig. in Cr)

Particulars	October 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operations	42.18	70.77	51.88	32.58
EBITDA	1.05	1.46	0.66	0.54
EBITDA Margins	2.50%	2.06%	1.29%	1.67%
PAT	0.78	1.08	0.47	0.38
PAT Margins	1.85%	1.53%	0.91%	1.17%
D/Eratio	0.07	0.06	0.05	0.03
CFOA	-3.29	2.39	0.28	-5.01

Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/ERatio	MCap	P/E
Kenrik Industries (FY 2024)	42.18 Cr.	2.50%	1.85%	0.06	31.24 Cr.	28.93
Veerkrupa Jewellers (TTM)	12.66 Cr.	2.37%	1.97%	0.37	13.90 Cr.	55.60
Motisons Jewellers (TTM)	460 Cr.	15%	9.34%	0.26	1,699 Cr.	40.10
Khazanchi Jewellers (TTM)	821 Cr.	5%	3.28%	0.25	1,373 Cr.	50.30



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