GEPL

IPO Note

DEEPA JEWELLERS LIMITED

SEP 01st, 2026

DEEPA JEWELLERS LIMITED

Sep 01st, 2026

Details of the Issue	
Price Band	₹ 168 - ₹ 177
Issue Size	₹ 460 Cr
Market Cap	₹ 1,701 Cr
Face Value	₹ 2
Bid Lot	84
Listing on	BSE,NSE
Investment Range	₹ 14,112 - ₹ 14,868

Important Indicative Dates (2026)	
Opening	01 - Sep
Closing	03 - Sep
Basis of Allotment	04 - Sep
Refund Initiation	07 - Sep
Credit to Demat	07 - Sep
Listing Date	08- Sept

Lead Manager
Emkay Global Financial Services Ltd
Valmiki Leela Capital Pvt Ltd

Offer Details	
Offer Size	₹ 460 Cr
Fresh Issue	₹ 250 Cr
OFS	₹ 210 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	230	12.99	13.69	50
NII	69	3.90	4.11	15
Retail	161	9.10	9.58	35
Employ.	-	-	-	-
Total	460	25.99	27.23	100

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Company Profile

Deepa Jewellers Ltd. is engaged in the retail and wholesale trading of gold and diamond jewellery, offering a diverse portfolio of traditional and contemporary designs across categories such as rings, necklaces, earrings, bangles, Vaddanam, gents kada, Vanky, Dandpatti, Gundlamala Haaram, Kangan, Mangtika, Maatil, Champasaralu and Jada. As of July 31, 2026, the Company offered 16 products across 110 SKUs and had a customer network spanning 13 states and 1 Union Territory, comprising 373 customers, including 47 jewellery retail chains and 326 standalone stores. The Company focuses on quality, purity, transparent pricing and customer trust, while leveraging physical stores, distribution channels and its third-party mobile application, “Deepa Jewellers Limited,” commissioned in June 2021, to enhance brand visibility and provide customers with access to its jewellery collections.

GEPL’s Insights & Investment Thesis:

- Deepa Jewellers Ltd is engaged in the retail and wholesale trading of gold and diamond jewellery generating revenue from South Indian states, particularly Telangana, Tamil Nadu and Andhra Pradesh.
- The company reported healthy financial performance with Revenue/EBITDA/PAT growing at a CAGR of 37%/102%/108% during the FY24-26 period.
- Based on the FY26 earnings, relative to the company's paid-up capital, the issue is priced at a P/E ratio of 16x. The company has reported healthy financial performance, expanding manufacturing capabilities to improve margins and efficiency, and is fairly valued. Therefore, we recommend a “**Subscribe**” rating for issue.

Business Highlights & Services

The Company derives 94.37% of FY2026 revenue from South Indian states, particularly Telangana, Tamil Nadu and Andhra Pradesh, providing a strong foothold in a region that accounts for approximately 38–43% of India’s jewellery consumption. The South Indian gems and jewellery retail market is estimated to grow at 6-7% CAGR between FY2026 and FY2030, offering a favourable industry backdrop. The Company has built a diversified customer base of 373 customers across 13 states and 1 Union Territory, comprising 47 jewellery retail chains and 326 standalone stores. Its relationships with leading jewellery retailers, coupled with 290 customers having associations of 2 years or more, demonstrate customer stickiness and provide a recurring demand base. The Company is a key processor and supplier of Vaddanam and CNC machine-cut bangles, categories supported by strong bridal and daily-wear demand in South India. Revenue from Vaddanam grew at a strong pace, reaching 41.85% of FY2026 revenue, while CNC machine-cut bangles contributed another 30.87%, highlighting the Company's strong positioning in its core product categories. With 16 product categories and 110 SKUs, the Company caters to a broad range of customer preferences, from traditional bridal jewellery to lightweight daily-wear products. Its 15-member in-house design team, customised design capabilities and continuous customer feedback enable it to respond to evolving consumer preferences and regional trends.

The Company is supported by 41 karigars, including 25 who have been associated for more than five years, providing continuity in craftsmanship, product quality and production capabilities.

Long-standing relationships with artisans, together with formal arrangements with 29 karigars, support timely manufacturing and delivery in a supply-driven B2B jewellery ecosystem. The Company's procurement network enables sourcing of gold, silver, gemstones and flat diamonds from multiple channels and established jewellery hubs. Access to RBI-registered bullion banks, bullion dealers, the India International Bullion Exchange and customer exchanges helps diversify sourcing, while established gemstone procurement channels support product quality and manufacturing continuity. Revenue from operations increased from ₹10,245.68 million in FY2024 to ₹19,266.76 million in FY2026, representing a strong growth trajectory. While South India remains the core market, revenue contribution from other states increased meaningfully, particularly Maharashtra, indicating early progress in geographic diversification. The Company's promoters, Ashish Agarwal and Seema Agarwal, bring around 25 years of industry experience, having entered the gems and jewellery business in 2001. The addition of the next generation of leadership, supported by a professionally experienced management team, provides a combination of industry knowledge, operational continuity and contemporary business perspectives.

The Company is setting up a 6,696 sq. ft. manufacturing facility in Hyderabad, expected to commence operations in H1 FY2027, with advanced equipment including a 3D wax printer, vacuum pressure casting machine and induction melting furnace. The facility is expected to reduce dependence on karigars, improve cost efficiencies, enhance production control and standardise quality, thereby supporting scalability and margin improvement. The Indian gold jewellery retail industry is valued at ₹10,619 billion (~₹10.62 lakh crore) in FY2026 and is expected to grow at 12–14% CAGR between FY2025 and FY2030. In addition, the South Indian B2B gems and jewellery market, valued at ₹2,847 billion (~₹2.85 lakh crore) in FY2026, is projected to reach ₹3,200–3,450 billion (~₹3.20–3.45 lakh crore) by FY2030, providing a favourable demand environment for the Company's expansion. The Company has expanded its regional footprint through a sales office in Vijayawada, operational since November 2025, and plans to establish another office in Bengaluru in FY2027. This strategy is expected to improve customer proximity, shorten delivery timelines, expand distribution reach and enable penetration into relatively underrepresented markets across Southern India.

With 16 product categories and over 110 SKUs as of July 31, 2026, the Company plans to add 2 new product categories and 22 SKUs by FY2027, including paper casting and Nakshi Kundan jewellery. Increasing exposure to differentiated and potentially higher-margin products, along with continuous design innovation, can support revenue growth, improve product mix and enhance profitability. The Company plans to increase its design team from 15 to 20 employees, enabling faster development of new SKUs, more frequent product refreshes and greater customisation. Combined with market research, social-media insights and direct customer interactions, enhanced design capabilities should help the Company align its offerings with evolving consumer preferences. The Company is increasing its focus on trade exhibitions and industry events to strengthen brand recognition and deepen relationships with existing and prospective retail jewellers. The planned expansion of its marketing team from 12 to 25 members, alongside greater participation in regional and national exhibitions, is expected to support customer acquisition and geographic expansion.

The Company is strengthening its B2B jewellery platform through technology-led process improvements, enhanced gold-wastage recovery and integrated capacity expansion. Its digital application enables faster design discovery and customer engagement, while planned investments in inventory management, order processing, procurement planning and gold recovery are expected to improve operational visibility, optimise working capital and enhance production efficiency. The integrated strategy spanning manufacturing expansion, geographic and product diversification, design enhancement, brand building and technology adoption is expected to strengthen its B2B franchise and support scalable growth across South India and the broader Indian jewellery market.

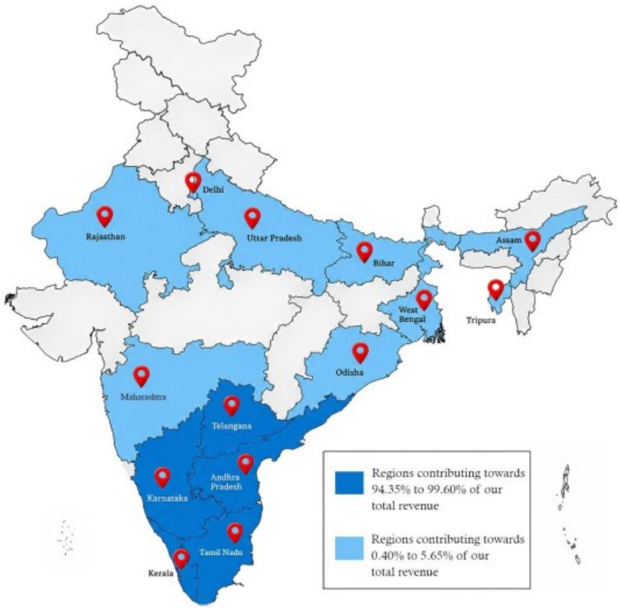
Segment wise revenue breakup

Particular	FY26		FY25		FY24	
	Amt (Cr)	%	Amt (Cr)	%	Amt (Cr)	%
Sale of Product	1,907	99.00%	1,295	92.73%	1,010	98.62%
Sale of Services	17	0.89%	15	1.08%	14	1.37%
Sale of Product - trade	2	0.10%	87	6.19%	0.17	0.02%
Total	1,927	100.00%	1,397	100.00%	1,025	100.00%

Product wise revenue breakup

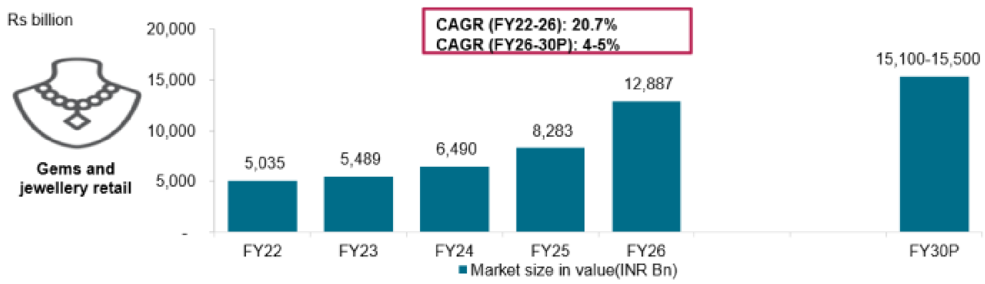
Particular	FY26		FY25		FY24	
	Amt (Cr)	%	Amt (Cr)	%	Amt (Cr)	%
Revenue from Vaddanam	806	41.84%	483	34.58%	376	36.66%
Revenue from CNC Machine cut bangles	595	30.88%	584	41.82%	408	39.78%
Other Product	526	27.28%	330	23.60%	241.42	23.56%
Total	1,927	100.00%	1,397	100.00%	1,025	100.00%

Geographical Footprint

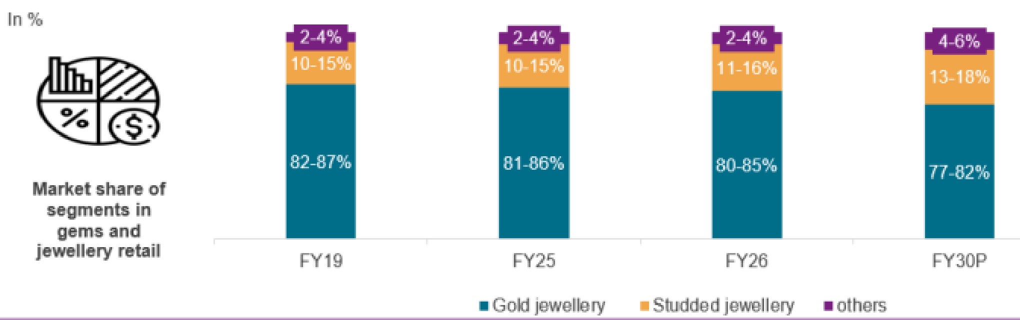


Industry Overview

Indian gems and jewellery retail industry – market size trends



Market share of segments within gems and jewellery retail industry in India



Source: Crisil Intelligence

Company's Competitive Strength

- Significant revenue contribution from Southern India.
- Well established customer base with long-standing relationship with jewellery retail chains and standalone stores.
- Diverse product portfolio with varied weight ranges, designs and specialisation in vaddanam and CNC machine cut bangles.
- stablished procurement network and long -standing relationship with karigars.
- Well experienced Promoters and a professional management team with sectoral experience.
- Robust financial performance with consistent growth.

Key Strategies Implemented by Company

- Setting up in-house manufacturing facility (Proposed Facility).
- Further strengthening the presence in Southern India through new sales offices.
- Expanding the product portfolio by adding new product categories, designs and SKUs.
- Invest in brand building and marketing initiatives by participating in various trade exhibitions and trade shows.
- Leveraging Technology for operational efficiency.

Particular (INR in Cr)	FY26	FY25	FY24
Equity Capital	16	4	4
Reserves and Surplus	222	129	88
Net Worth	238	133	93
Revenue	1,927	1,397	1,025
Growth (%)	38%	36%	
EBITDA	146	56	36
EBITDAM (%)	7.60%	4.01%	3.49%
PAT	105	41	24
PATM (%)	5.4%	2.9%	2.4%
ROE (%)	56.5%	36.0%	30.3%

Notes

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