LALITHAA JEWELLERY MART LIMITED

August 13, 2026

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	**Jewellery**
Offer for sale (Shares)	24,875,621
Fresh Issue (Shares)	59,732,655
Net Offer to the Public	84,608,276
Issue Size (Rs. Cr.)	1607-1700
Price Band (Rs.)	190-201
Employee Discount	19
Offer Date	17-Aug-26
Close Date	19-Aug-26
Face Value	5
Lot Size	74

Issue Composition

	In shares
Total Issue for Sale	84,608,276
QIB	42,304,138
NIB	12,691,241
Retail	29,612,897

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	97.72%	82.85%
QIB	2.28%	9.60%
NIB	0.00%	2.27%
Retail	0.00%	5.29%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. **Funding expenditure towards setting-up of 10 New Stores:** (a) Capital expenditure for fit-outs in the nature of furniture and fixtures, equipment, IT hardware and software
2. **Funding expenditure towards setting-up of 10 New Stores:** (b) Expenditure towards inventory costs for setting up of New Stores
3. General corporate purposes

Book Running Lead Manager

- Anand Rathi Advisors Limited
- Equirus Capital Limited

Name of the registrar

- MUFG Intime India Private Limited

About the company

Incorporated in November 1985, Lalithaa Jewellery Mart Limited is a jewellery retailer with a strong presence across South India, primarily serving mass-market and value-conscious consumers. The Company offers a diversified portfolio of gold, silver, diamond, precious and semi-precious jewellery, focusing on quality, craftsmanship and distinctive designs. It has established strong brand recognition in Tier II and Tier III cities, supported by its understanding of regional customer preferences. The Company operates Large and Medium Format Stores and follows an asset-light retail model supported by backward integration, efficient inventory management and quality controls. It also offers jewellery savings schemes and had 7,059 employees as of March 31, 2026.

Strength

Strong Regional Presence with Deep Penetration in South India: Lalithaa Jewellery Mart Limited has a strong regional presence across South India, a market that represented about 40% of India's gems and jewellery industry in Fiscal 2026. The Company operated 61 stores across 51 cities in Tamil Nadu, Andhra Pradesh, Telangana, Karnataka and Puducherry. Its deep penetration into Tier II and Tier III markets is a key advantage, with 45 stores, or 74% of the network, located in these cities and contributing 60.25% of revenue in Fiscal 2026. The Company's operating revenue grew at a 22.09% CAGR between Fiscal 2024 and Fiscal 2026, supported by expansion and increasing customer acceptance.

Established Mass-Market Brand with Customer-Centric Proposition: Lalithaa Jewellery Mart Limited has developed a strong brand proposition focused on mass-market and value-conscious consumers seeking quality, purity and competitive pricing. The Company has built customer trust through affordable jewellery, wide product variety, regional designs and BIS hallmarking of gold jewellery since 2019. Its schemes, including Dhana Vandhanam and Free-yo-Flexi, encourage repeat purchases and provide customers with flexibility against gold-price movements. The Company also offers exchange, buyback and financing options, strengthening customer convenience. Its customer-centric approach includes personalised jewellery, dedicated customer service and regional-language sales teams, while its established brand presence supports customer loyalty across Southern markets.

In-House Manufacturing and Strong Quality Control: Lalithaa Jewellery Mart Limited benefits from in-house manufacturing capabilities and an extensive network of skilled Karigars. It operates two manufacturing facilities in Tamil Nadu and had 816 Karigars under exclusive arrangements in Fiscal 2026, supplemented by 296 non-exclusive Karigars. In-house manufacturing helps reduce jewellery-making wastage and enables the Company to pass cost savings to customers while maintaining margins. The Company also uses JILABA ERP, barcoding and inventory monitoring systems to manage operations efficiently. Hallmarking, purity testing and quality checks are integral to its manufacturing process, supporting product reliability, transparency and customer trust while enabling designs suited to local preferences.

Experienced Promoter and Strong Operating Metrics: Lalithaa Jewellery Mart Limited is supported by an experienced promoter and management team with established execution capabilities. Promoter, Chairman and Managing Director M. Kiran Kumar Jain has been associated with the Company since 1999 and is actively involved in its operations and strategic direction. The management structure is supported by professionals, including the Chief Financial Officer and senior managerial personnel. The Company has also demonstrated strong operating metrics compared with key organised jewellery peers. In Fiscal 2026, it reported ROCE of 42.60% and ROE of 41.67%, while recording the highest operating revenue per store and highest PAT per store among selected peers.

Strategy

Expand Store Network and Enter Untapped Markets: Lalithaa Jewellery Mart Limited plans to expand its physical and digital presence by entering untapped markets in Southern India and strengthening its footprint in Tier II and Tier III cities. The Company had 61 stores across 51 cities in Fiscal 2026, up from 53 stores in Fiscal 2024, and proposes to establish five new stores in Fiscal 2027 and five in Fiscal 2028 using IPO proceeds. Further expansion is expected through internal accruals and other financing sources. The strategy is centred on affordability, variety, local relevance and convenient exchange, buyback and financing options to compete effectively with unorganised jewellers.

Increase Focus on Studded Gold Jewellery: Lalithaa Jewellery Mart Limited intends to increase its focus on studded gold jewellery, which can broaden its customer base and generally offers higher gross margins than conventional gold jewellery. The Company plans to prioritise higher-margin categories within gold jewellery and leverage the growing preference among younger consumers for lighter, diamond-studded and design-oriented products. It is also exploring new sub-brands and branded jewellery lines targeted at specific customer segments. The recent Hyderabad store dedicated to gold and diamond-studded jewellery supports this strategy by providing enhanced visibility and dedicated displays, while helping the Company respond to changing consumer preferences and strengthen its product positioning.

Diversify Product Mix through Silverware and Other Categories: Lalithaa Jewellery Mart Limited plans to expand its silverware and other product ranges to reduce dependence on gold and mitigate the impact of elevated gold prices. Silverware, including spoons and dishes, provides lower-value offerings that can appeal to customers when gold affordability becomes challenging. The Company also intends to increase sales of precious-material ornaments and design-centric jewellery through online promotions, digital advertising and targeted marketing. By modifying its product mix towards categories offering relatively better margins, the Company seeks to optimise revenue composition, improve profitability and diversify its product portfolio while continuing to serve value-conscious consumers across different income segments and markets.

Strengthen Brand Building and Marketing Initiatives: Lalithaa Jewellery Mart Limited intends to continue investing in brand building and marketing to strengthen awareness, customer engagement and brand recall. Its marketing mix includes local lifestyle newspapers, outdoor advertising, digital campaigns, in-store programmes and promotional materials, with campaigns tailored to seasons, festivals and customer needs. The Company plans to leverage its existing customer base through schemes such as Free-yo-Flexi and Dhana Vandhanam while using online channels to reach evolving consumers. Its focus on quality, craftsmanship, original designs and targeted customer service is expected to support customer retention and acquisition. Continued marketing investment should help reinforce the Company's competitive positioning.

Risk factor

- Lalithaa Jewellery Mart Limited is highly dependent on gold jewellery sales.
- Volatility in gold prices may adversely affect profitability.
- Any disruption in gold procurement could affect operations.
- The Company depends significantly on a limited number of key suppliers.
- The Company has experienced negative operating cash flows..

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Peer Comparison

Co_Name	Total Income	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Titan Company	82770.00	5760.00	65.74	77.55	28.82	176.88	1.00	5098.20	452611.14
Kalyan Jewellers	39063.32	1434.98	14.17	42.32	9.82	61.09	10.00	599.70	61934.08
Thangamayil Jew.	9606.47	391.04	126.36	42.31	11.73	455.57	10.00	5345.90	16616.14
PC Jeweller	3505.01	774.41	0.73	13.45	1.08	9.07	1.00	9.82	9576.60
P N Gadgil Jewe.	11437.52	445.82	30.46	20.96	3.53	180.89	10.00	638.40	9397.41
Senco Gold	8430.04	574.31	35.04	11.37	2.60	153.37	5.00	398.40	6529.81
T B Z	3202.83	202.30	30.32	9.11	2.20	125.60	10.00	276.30	1843.77
Manoj Vaibhav	2909.00	121.96	23.76	7.20	1.00	170.60	10.00	171.10	835.78
Lalithaa Jewellery Mart Limited	25023.93	1009.82	18.04	11.14	2.72	73.79	5.00	201.00	11250.17
Horizon Industrial Parks Limited	**691.38**	**-203.65**	**-ve**	**-ve**	**2.04**	**29.34**	**10.00**	**60.00**	**17297.61**

*Peer companies financials are TTM based

*** Lalithaa Jewellery Mart Limited financials are based on FY26

Valuation

Considering the P/E valuation, on the upper end of the price band of Rs.201, the stock is priced at pre issue P/E of 9.95x on FY2026 EPS of Rs.20.20. Post issue, the stock is priced at a P/E of 11.14x on its EPS of Rs. 18.04. Looking at the P/B ratio at Rs.201 pre issue, book value of Rs.58.60 of P/Bvx 3.43x. Post issue, book value of Rs.73.79 of P/Bvx 2.72x.

Considering the P/E valuation, on the lower end of the price band of Rs.190, the stock is priced at pre issue P/E of 9.41 x on FY 2026 EPS of Rs. 20.20. Post issue, the stock is priced at a P/E of 10.53x on its EPS of Rs. 18.04. Looking at the P/B ratio at Rs. 190 pre issue, book value of Rs. 58.60 of P/Bvx 3.24x. Post issue, book value of Rs.73.79 of P/Bvx 2.57x.

Industry Overview

India's gems and jewellery retail industry is significant and gradually formalising. The segment accounted for about 8.3% of India's retail market in Fiscal 2026, while gold jewellery remained dominant with an estimated 80–85% share. Organised chains are gaining share through stronger brands, transparent pricing, assured quality and hallmarking, although standalone jewellers remain significant. The Indian gold jewellery retail market was valued at ₹10,619 billion in Fiscal 2026 and is projected to grow at a moderate 3–5% CAGR through Fiscal 2030.

Outlook

Lalithaa Jewellery Mart Limited is positioned for growth, supported by its strong South Indian presence, mass-market positioning, established brand and in-house manufacturing. The proposed addition of 10 stores across Fiscal 2027 and Fiscal 2028, greater focus on studded jewellery, silverware and higher-margin products, and continued digital investments could support diversification and profitability. However, dependence on gold jewellery, elevated gold prices, working-capital intensity, competition and geographic expansion remain key monitorable factors. Overall, the Company's expansion strategy provides a favourable medium-term outlook.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Mon, Aug 17, 2026
IPO Close Date	Wed, Aug 19, 2026
Tentative Allotment	Thu, Aug 20, 2026
Initiation of Refunds	Fri, Aug 21, 2026
Credit of Shares to Demat	Fri, Aug 21, 2026
Tentative Listing Date	Mon, Aug 24, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	25023.93	16897.32	16788.05
Total expenditure	23350.42	16156.96	16107.89
Operating Profit	**1673.50**	**740.36**	**680.17**
OPM%	6.69	4.38	4.05
Other Income	15.88	10.56	12.57
Total Net Income	**1689.38**	**750.92**	**692.73**
Interest	198.45	160.44	136.27
PBDT	**1490.93**	**590.48**	**556.46**
Depreciation	130.66	87.18	71.91
PBT	**1360.27**	**503.31**	**484.55**
Tax	350.45	138.58	124.72
Profit & Loss	**1009.82**	**364.73**	**359.83**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	285.029	294.137	197.214
Capital work-in-progress	23.679	14.542	46.902
Intangible assets	0.619	0.608	0.614
Right-of-use assets	348.545	349.897	363.997
Financial assets			
Other financial assets	67.218	56.159	59.789
Deferred tax assets, net	50.599	40.645	32.077
Other non-current assets	29.997	57.497	45.016
Total non-current assets	**805.69**	**813.49**	**745.61**
Current asset			
Inventories	9816.276	5872.729	4292.08
Financial Assets			
Trade receivables	214.692	116.45	58.594
Cash and cash equivalents	16.109	52.319	22.79
Bank balances other than (iii) above	22.167	21.694	23.272
Other financial assets	12.989	7.694	0
Other current assets	57.223	45.313	39.91
Total current assets	**10139.46**	**6116.20**	**4436.65**
Total Assets	**10945.14**	**6929.68**	**5182.26**
Non-current liabilities			
Financial liabilities			
Borrowings	26.864	31.602	9.401
Lease liabilities	391.178	404.434	407.009
Provisions	18.962	12.197	11.163
Total Non- Current liabilities	**437.00**	**448.23**	**427.57**
Current liabilities			
Financial Liabilities			
Borrowings	1577.272	917.656	814.776
Lease liabilities	50.082	29.739	23.437
Trade Payables			
- Total outstanding dues of MSME	28.959	3.293	1.906
- Total outstanding dues of creditors other than MSME	493.151	263.647	122.001
Other financial liabilities	30.281	26.068	115.496
Other current liabilities	5123.831	3198.204	1979.82
Provisions	6.267	13.22	9.169
Current tax liabilities (net)	268.57	104.241	123.711
Total - Current Liabilities	**7578.41**	**4556.07**	**3190.32**
Total Liabilities	**8015.42**	**5004.30**	**3617.89**
Net worth represented by:			
Equity share capital	249.989	249.989	11.904
Other equity	2679.736	1675.394	1552.462
Total Equity	**2929.73**	**1925.38**	**1564.37**

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