DEEPA JEWELLERS LIMITED

DJ

Manufacturing | Mainboard

Rs. 168 - 177

1 Sep 2026 - 3 Sep 2026

Issue size	Where the money goes	Earnings per share
Rs. 460 cr	**54% fresh**	**Rs. 8.54**
	Rs. 250 cr to the company, Rs. 210 cr to selling holders - computed from the share count at the band cap - p.1	issuer disclosed

WHAT STANDS OUT

Profit not converting to cash - Operating cash flow is -14% of profit after tax. Less than half of reported profit arrived as cash — usually receivables or inventory build.

Strong revenue growth - Revenue compounded 37% a year over 2 years. Revenue compounding above 20% a year.

WHAT THE COMPANY DOES

We are an organized business-to-business (B2B) company, engaged in designing, getting our jewellery manufactured, and supplying gold jewellery to other businesses such as retail chains and standalone stores, rather than selling directly to end customers.

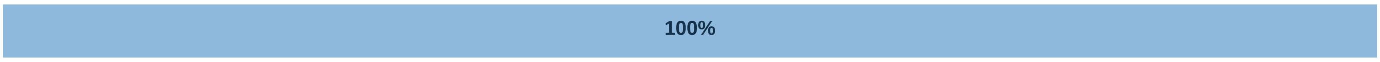
We currently operate from our Registered office in Hyderabad and are setting up an in-house manufacturing facility in Hyderabad. We also have a sales office in Vijayawada.

WHERE THE MONEY GOES

Fresh issue goes to the company. Offer for sale goes to shareholders selling out.

Fresh issue Rs. 250 cr 54% Offer for sale Rs. 210 cr 46%

How the fresh proceeds are to be spent, as stated in Objects of the Offer.



Funding long-term working capital... 100%

PROMOTER HOLDING

100.0% > —

before after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Sky Gold and Diamonds Limited	57.6x	Rs. 4,708 cr	p.119
Shanti Gold International Limited	12.7x	Rs. 2,019 cr	p.119
Shringar House of Mangalsutra Limited	17.0x	Rs. 2,246 cr	p.119
RBZ Jewellers Ltd	10.1x	Rs. 636 cr	p.119
Khazanchi Jewellers Limited	22.2x	Rs. 2,049 cr	p.119
Industry average	23.9x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	Fiscal 2024	Fiscal 2025	Fiscal 2026	2Y CAGR
Revenue	1,025	1,397	1,927	+37.1%
EBITDA	36	56	146	—
Profit after tax	24	41	105	+107.5%
Net worth	93	133	238	—
Total debt	78	81	111	—

READING THESE NUMBERS AS MANUFACTURING

What actually diagnoses this business: Capacity utilisation - Order book - Working capital days - Customer concentration.

DOES THE PROFIT TURN INTO CASH

	Fiscal 2024	Fiscal 2025	Fiscal 2026
Operating cash flow	5	-10	-15

ipoagent

Capital expenditure	0	0	4
Financing	-9	-1	19

Operating cash flow is -14% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months
Anchor, first half
50.0%

+3 months
Anchor, remainder
50.0%

+18 months
Promoter
20.0%

THE DOCUMENT'S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Significant revenue contribution from Southern India (p.186)
2. Well established customer base with long-standing relationship with jewellery retail chains and standalone stores (p.186)
3. Diverse product portfolio with varied weight ranges, designs and specialisation in vaddanam and CNC machine cut bangles (p.186)
4. Established procurement network and long -standing relationship with karigars (p.186)
5. Well experienced Promoters and a professional management team with sectoral experience (p.186)

RISKS IT DISCLOSES

1. Our top 10 customers accounted for a significant portion of our revenue, and any decision by them to reduce or terminate business could impact us. (p.24)
2. We derive a significant portion of our revenue from operations from the sale of our vaddanam and CNC machine cut bangles. (p.25)
3. A significant portion of our business operations and revenue generation is concentrated in Southern India. (p.26)
4. Our inability to accurately forecast demand or effectively manage our inventory may have an adverse effect on our business. (p.27)
5. The non-availability or volatility in the cost of gold and absence of

Both columns are the offer document's own words, not this page's assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

Market size Rs. 7,30,100 cr in FY26, forecast Rs. 7,90,000 cr by FY30, a 3.0% CAGR.

Drivers it names: Stabilisation of gold prices leading to release of deferred demand, increasing traction from organised retailers, growth in exports, and the gradual emergence of new markets..

Constraints it names: Fluctuations in gold prices, consumer demand, and global economic conditions..

> These industry figures come from a CRISIL report commissioned and paid for by the issuer. It is not neutral research.

Extracted from the PROSPECTUS at https://reports.emkayglobal.com/downloads/Deepa%20Jewellers%20Limited%20-%20Red%20Herring%20Prospectus.pdf by gemini-3.5-flash on 2026-08-28. Figure verification was skipped. The source text was not available to check against.