

# Jewellery Industry Analysis

**Presented by Group IX**

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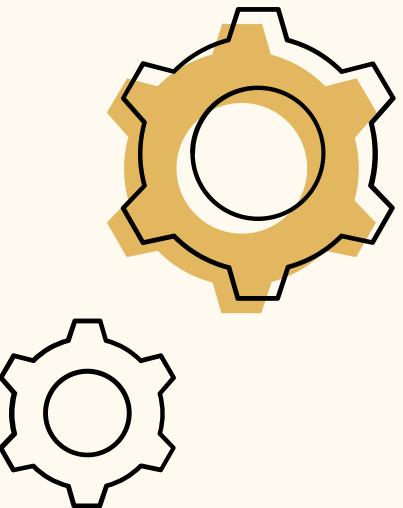
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# Introduction

## Products & Types

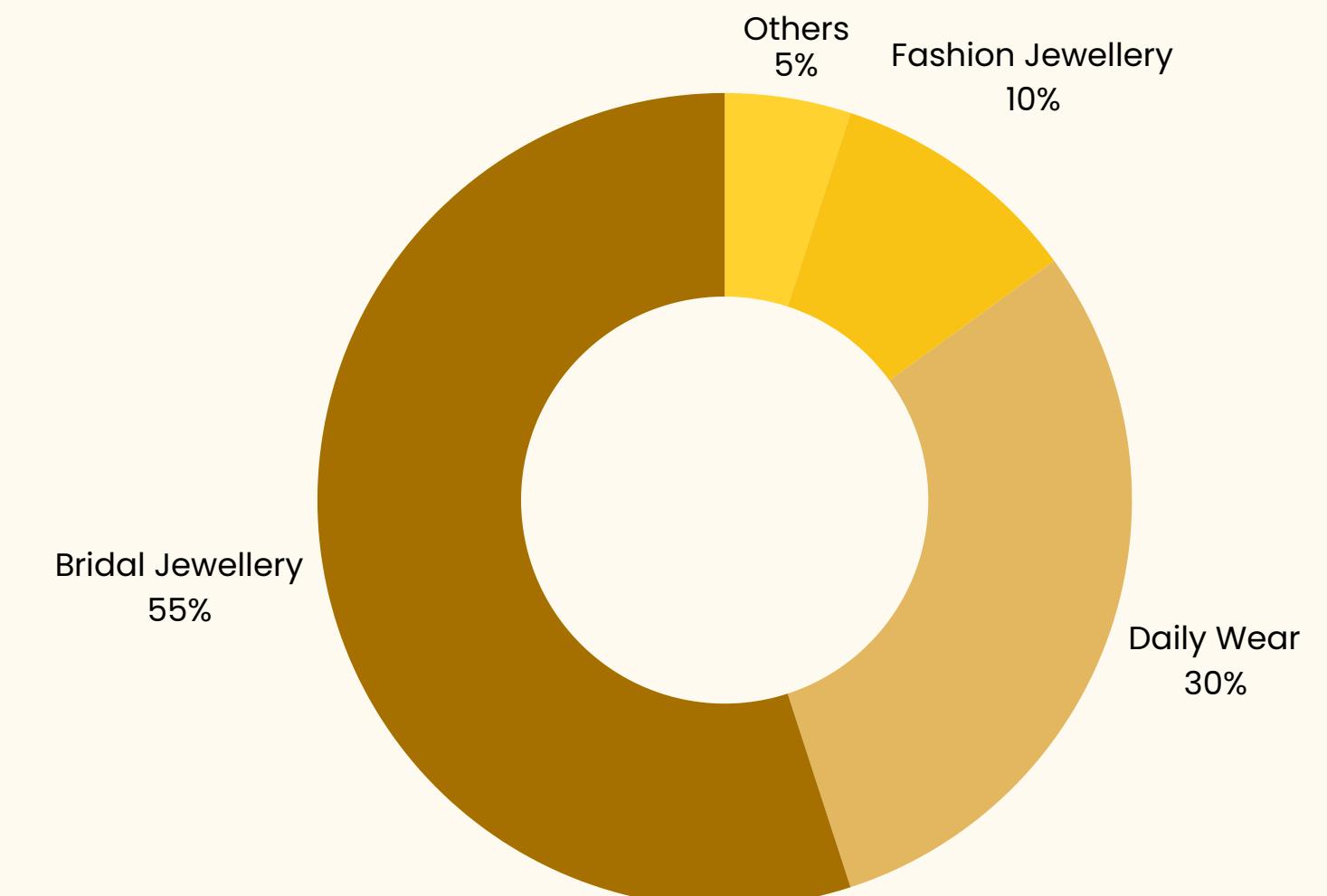
- **Bridal Jewellery:** High-value, elaborate sets
- **Daily Wear / Lightweight:** Simple, practical, jewellery
- **Fashion / Costume Jewellery:** Trendy, metal-based
- **Others:** Corporate / Gifting, Men's Jewellery, Kids' Jewellery etc.

## Key Revenue Drivers:

- Gold Prices
- Festive & Wedding Demand
- Urbanization & Income Growth
- Digitization & E-Commerce
- Emergence of Sustainable & Lab grown jewellery

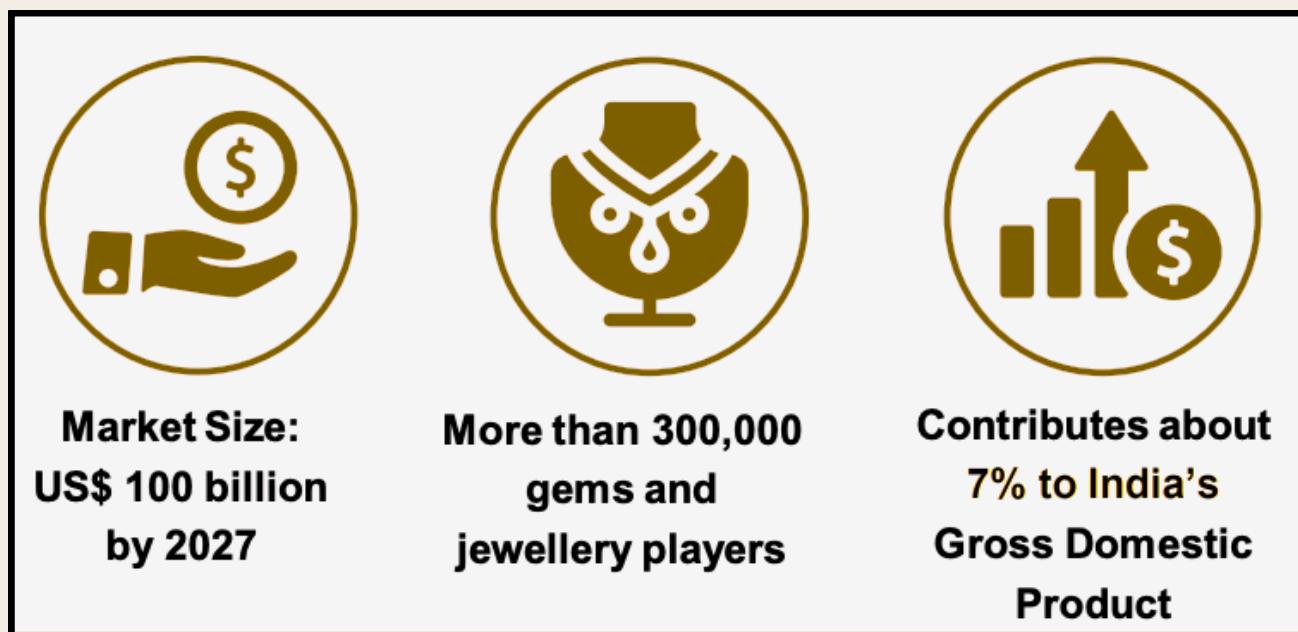
## Seasonality of Jewellery Industry

- **Wedding Seasons** (India: peaks in Q3–Q4, post-monsoon)
- **Festivals** (Diwali, Dhanteras, Akshaya Tritiya etc.)
- **Tax-free or Sale Periods** which impacts consumer behaviour temporarily
- **International Seasonality** (For export-driven players like Christmas in the West)



# Market Size and Growth

India jewellery market was estimated at US\$90.4 billion in 2024, projected to grow at a compound annual growth rate (CAGR) of ~5.2% from 2025 to 2033 to reach about US\$150 billion by 2033

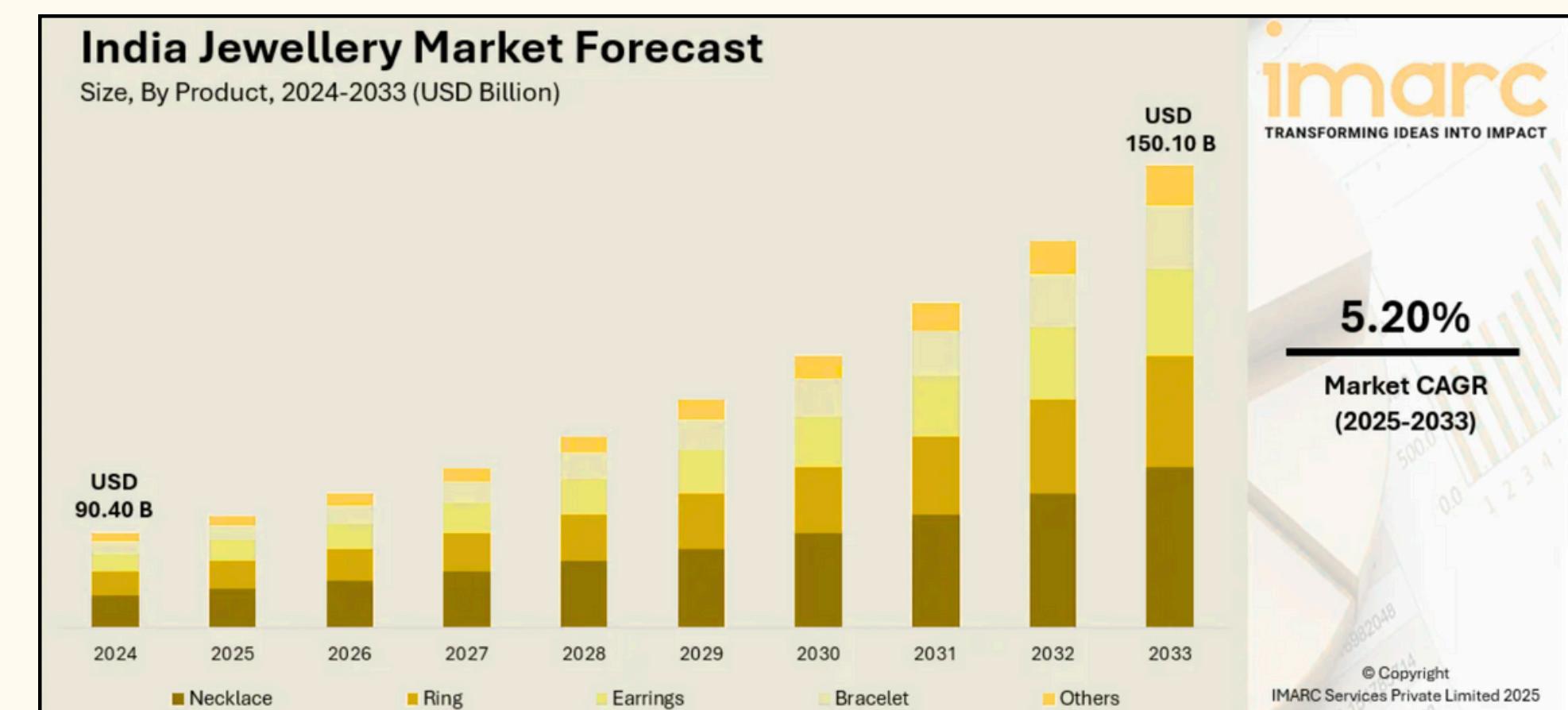


## Share in GDP :

It accounts for around 7% of India's GDP and roughly 29–30% of global jewellery consumption, primarily driven by gold and diamond jewellery.

## Consumption of Gold in India :

India is the 2nd largest consumer of jewellery globally (after China), consuming over 700–800 tonnes of gold annually.



# Company Financials FY 25

| SI No. | Important Ratios             | Company Names        |                            |              |                   |
|--------|------------------------------|----------------------|----------------------------|--------------|-------------------|
|        |                              | P N Gadgil Jewellers | Sky Gold and Diamonds Ltd. | PC Jewellers | D.P. Abhushan Ltd |
| 1.     | <b>Operating Ratio</b>       | 95.23 %              | 93.40%                     | 82.67%       | 95.44%            |
| 2.     | <b>PAT Margin</b>            | 2.82 %               | 3.76%                      | 19.94%       | 3.40%             |
| 3.     | <b>Inventory Days</b>        | 104.2                | 37.91                      | 1053.62      | 70.47             |
| 4.     | <b>Cash Conversion Cycle</b> | 95.82                | 69.52                      | 1428         | 55.85             |
| 5.     | <b>Current Ratio</b>         | 1.81                 | 1.49                       | 3.23         | 1.84              |

# Company Financials FY 25

| SI No. | Important Ratios      | Company Names  |                       |                |                           |
|--------|-----------------------|----------------|-----------------------|----------------|---------------------------|
|        |                       | Senco Gold Ltd | Goldiam International | Vaibhav Global | Thangamayil Jewellery Ltd |
| 1.     | Operating Ratio       | 94.49%         | 74.77%                | 94%            | 80.13%                    |
| 2.     | PAT Margin            | 2.52%          | 20.29%                | 27.29%         | 12.56%                    |
| 3.     | Inventory Days        | 219            | 277                   | 111            | 125                       |
| 4.     | Cash Conversion Cycle | 63             | 294                   | 155            | 103                       |
| 5.     | Current Ratio         | 1.69           | 3.55                  | 2.24           | 1.69                      |

# Comments

## 1. Profit Margin

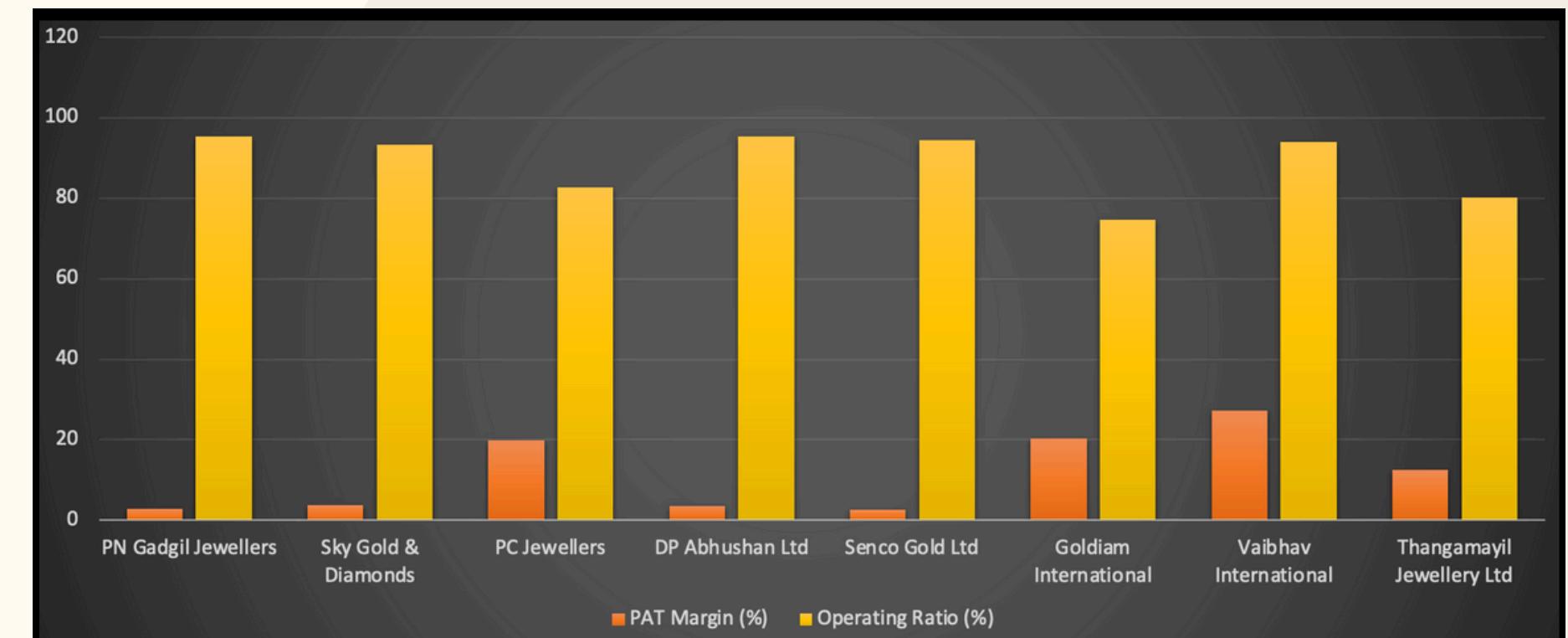
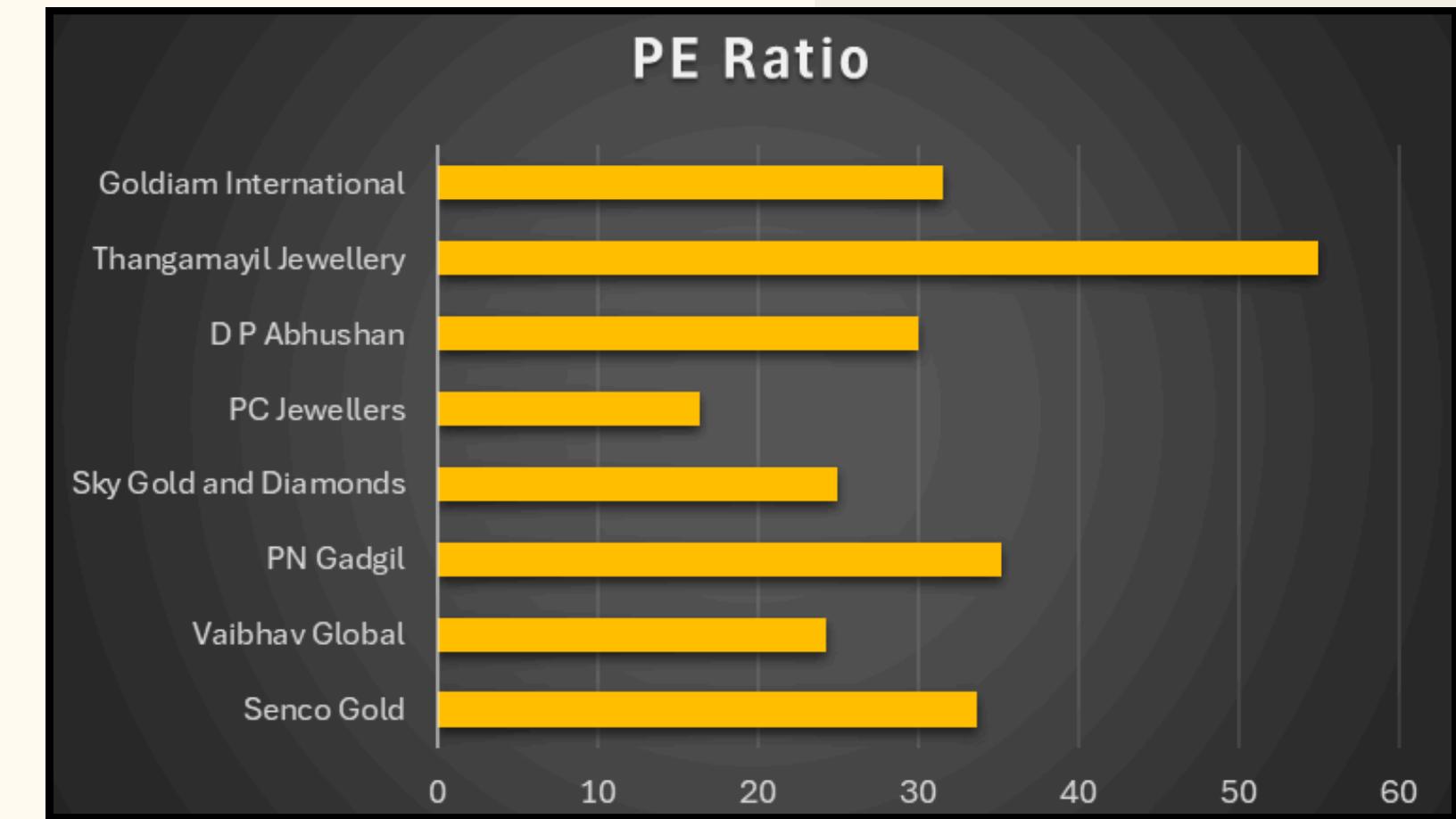
The profit margins of the companies have gone down due to increase in gold prices and the trend is expected to continue due to the tarriffs.

## 2. Efficiency

Due to increase in gold prices, selling off inventory has become tougher, as a consequence of which cash collection is delayed, which is evident in the ratios

## 3. Working Capital

Market-wide average net margin remains modest, reflecting tight markups, high working capital, and intense competition with unorganised players



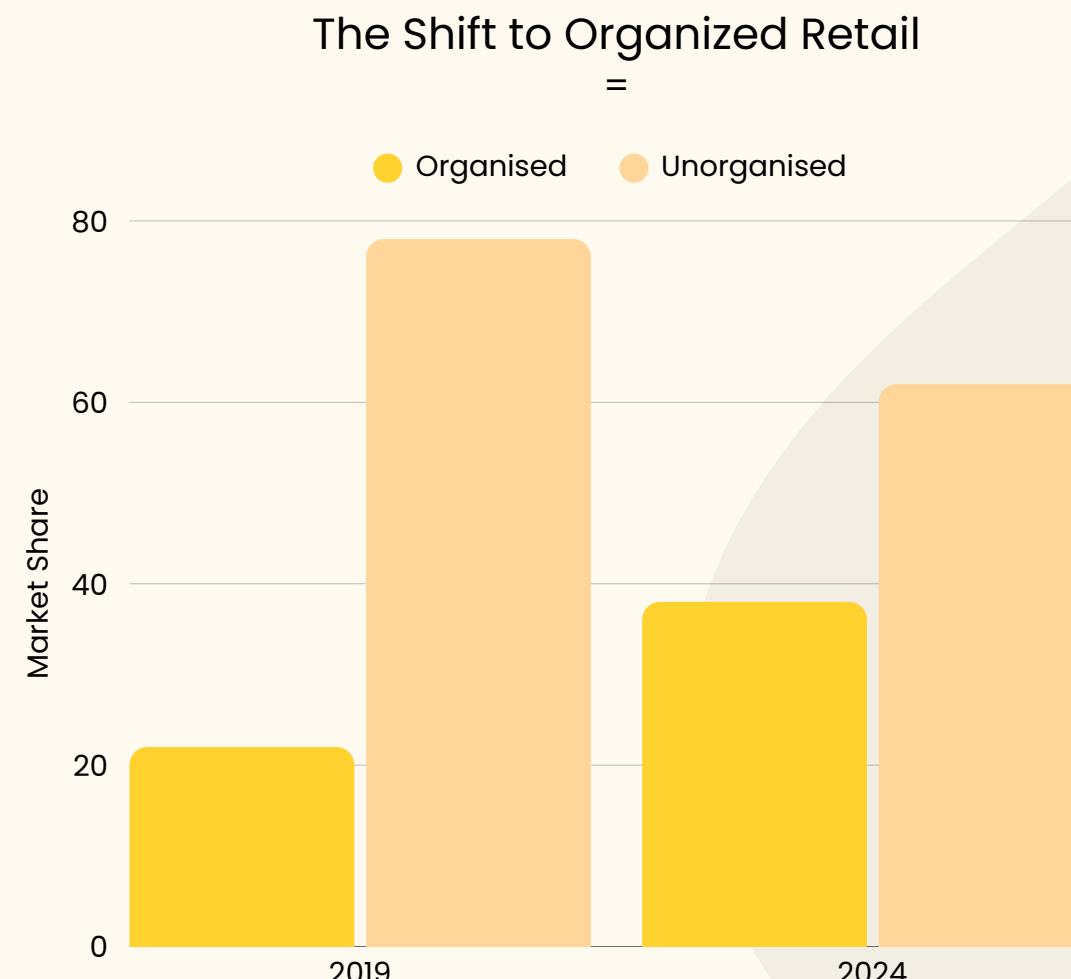
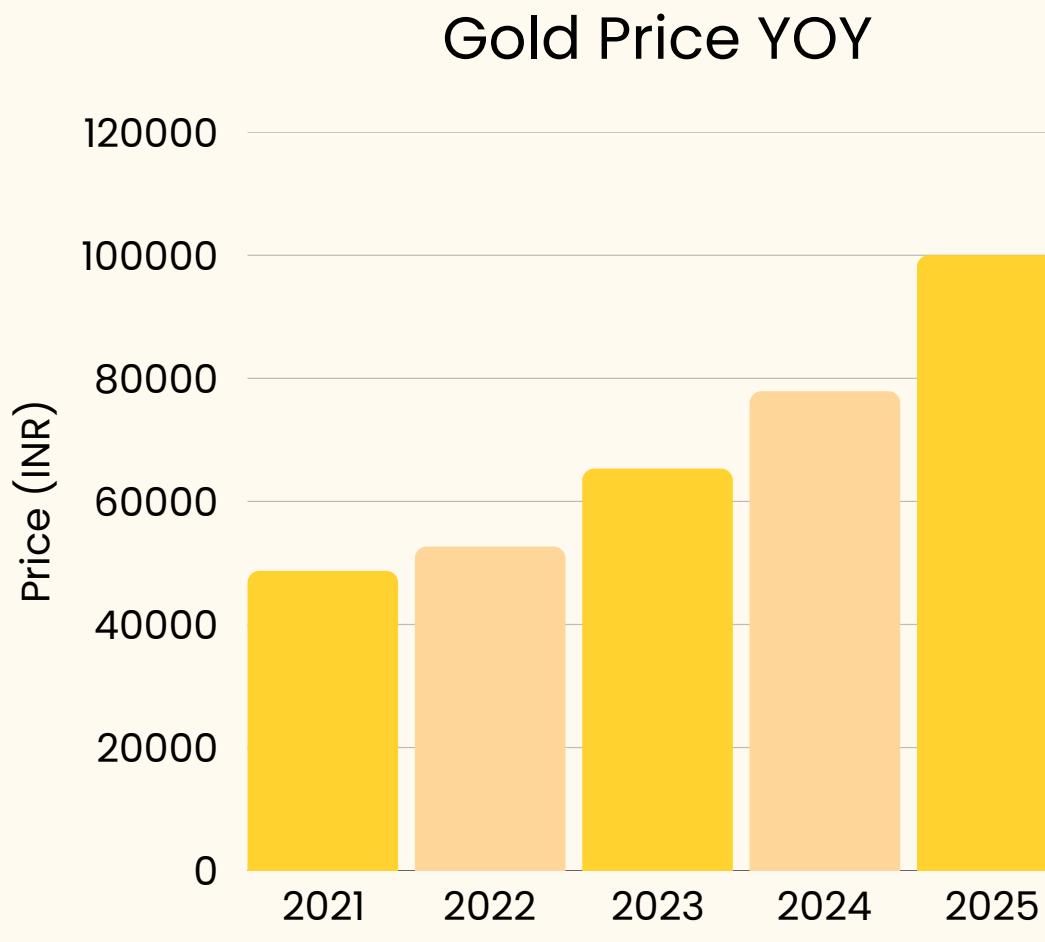
# Key Market Trends

## Consumer Behavior Evolution

- Gen Z prefers fast-fashion, 9–18K gold, and sustainable, affordable jewellery.
- Millennials favor lightweight, branded jewellery and customizable designs.
- Traditional buyers still prefer 22K gold with heritage and investment value.

## The Organizational Shift

The organized sector grew from 22% in FY19 to 36–38% in 2024, driven by GST, mandatory hallmarking, and rising demand for transparency and branded products. The unorganized sector is expected to decline to 57% by FY28.



## E-commerce Growth

Online jewellery sales in India are projected to reach USD 3.7 billion by 2025 at 28% CAGR, though currently representing less than 2% of total sales compared to 7% globally

## Lab Diamond Surge

- In 2023, the market was valued at approximately USD 300 million.
- It is projected to grow at around 15% CAGR, reaching USD 348 million by 2024 and expanding further to around USD 800–830 million by 2030–32.

# SWOT ANALYSIS

## STRENGTH

- Government schemes: Maharashtra announced incentives and plans for a “smart jewellery manufacturing”
- Tamil Nadu is establishing India's first gold jewellery manufacturing park

## OPPORTUNITIES

- Strong Domestic Demand.
- Growing Middle Class & Rising Incomes
- Digital and E-commerce Growth
- Shift to Branded Jewellery

## WEAKNESSES

- Skyrocketing Gold Costs & Leasing Rates.
- Dependency on imports
- Competitive Pressures & Rising Overheads.

## SWOT ANALYSIS

## THREATS

- U.S. introduced a 27% reciprocal tariff on Indian gems and jewellery exports.
- Estimates forecast a 15–17% decline in jewellery exports, translating to losses of \$1.8 billion.

# Challenges

- **Skyrocketing Gold Costs & Leasing Rates:** Rising gold prices and leasing rates are inflating inventory costs and squeezing margins.
- **US 25% Tariffs on Exports Dent Margins:** High US tariffs reduce price competitiveness and shrink export-driven profits.
- **Competitive Pressures & Rising Overheads:** Organised retail expansion and rising costs are tightening profit margins.
- **Dependency on Imports:** Heavy reliance on imported gold and diamonds exposes the industry to global risks.

# Road Ahead

- **Organised Retail Growth:** Large retailers and established brands are driving growth by expanding product variety and reaching more consumers.
- **Manufacturing Strength:** India, with over 450 organised jewellery manufacturers, continues to be a global hub for jewellery production.
- **Market Projection:** The Indian Gems & Jewellery industry is projected to reach USD 150 billion by 2033, supported by policy and demand tailwinds.

# Thank You

