

Industry Report
on
Gems & Jewellery Industry
in
India

April 23, 2026

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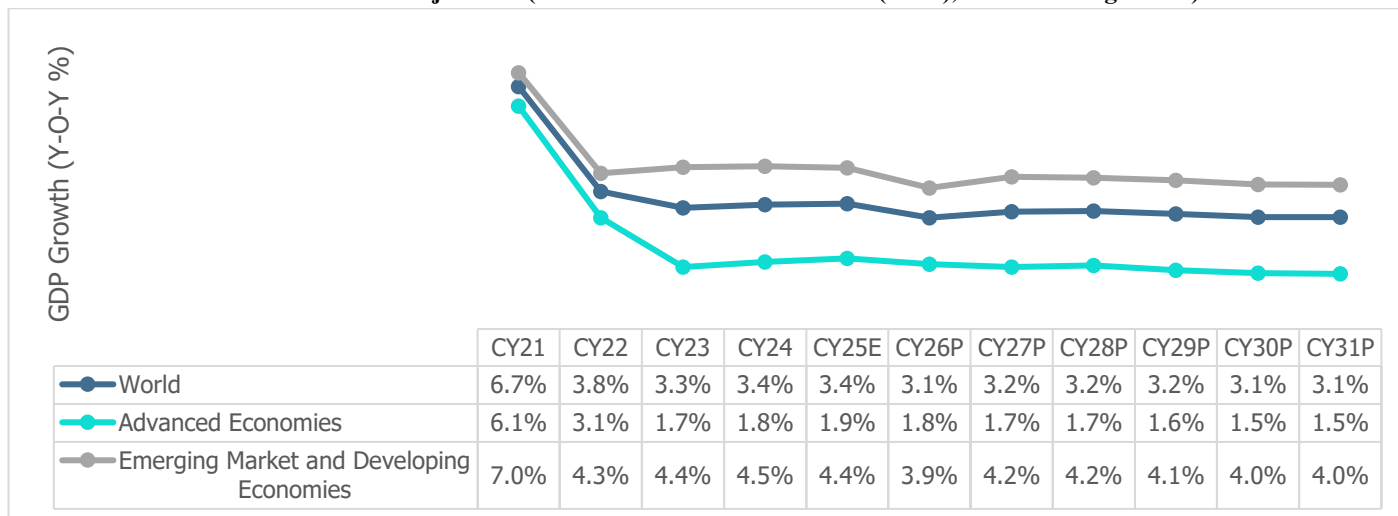
1 Economic Outlook

1.1 Global Economy

Global Economic Growth Expected to Sustain at ~3% in Near Term

Global economic growth is projected to moderate to around 3.1% in 2026, reflecting the impact of geopolitical tensions in energy and trade flows. The ongoing Middle East conflict poses downside risks, with prolonged disruptions potentially reducing growth further to 2.5%, or lower. However, supportive factors such as continued investment momentum and policy support are helping offset some of these pressures.

Chart 1: Global Growth Outlook Projections (Real Gross Domestic Product (GDP), Y-o-Y Change in %)



Source: IMF – World Economic Outlook, April 2026; Notes: E-Estimate, P-Projections

Table 1: GDP Growth Trend Comparison - India v/s Other Economies (Real GDP, Y-o-Y Change in %)

	Real GDP (Y-o-Y Change in %)								
	CY23	CY24	CY25E	CY26P	CY27P	CY28P	CY29P	CY30P	CY31P
India	7.2	7.1	7.6	6.5	6.5	6.5	6.5	6.5	6.5
China	5.4	5.0	5.0	4.4	4.0	4.0	3.7	3.3	3.3
Indonesia	5.0	5.0	5.1	5.0	5.1	5.2	5.2	5.2	5.2
Saudi Arabia	0.5	2.6	4.5	3.1	4.5	3.6	3.5	3.5	3.6
Middle East and Central Asia	2.6	2.8	3.6	1.9	4.6	4.0	4.0	3.8	3.8
Latin America	2.3	2.4	2.4	2.3	2.7	2.9	2.9	2.7	2.6
Brazil	3.2	3.4	2.3	1.9	2.0	2.4	2.5	2.5	2.5
Euro Area	0.4	0.9	1.4	1.1	1.2	1.4	1.2	1.1	1.1
United States	5.0	5.0	5.1	5.0	5.1	5.2	5.2	5.2	5.2

Source: IMF- World Economic Outlook Database (April 2026)

Note: E-Estimate, P- Projections; India's fiscal year (FY) aligns with the IMF's calendar year (CY). For instance, FY24 corresponds to CY23.

1.1.1 Iran Conflict Impacts Energy Intensive Sectors

The current geopolitical tensions surrounding Iran conflict in West Asia, are having a direct quantifiable impact on the Indian consumer industry due to its high dependence on energy imports routed through the Strait of Hormuz (presently the zone of conflict). India imports around 60% its LPG demand and nearly 90% of the imports transit through the Strait of Hormuz route. Since LPG is a primary cooking fuel for over 300 million Indian households, any disruption in supply chains, or increase in freight and insurance costs has an immediate effect on household consumption expenditure and urban demand patterns in the country.

This impact is further amplified by India’s crude oil dependence, with over 85% of total crude demand being imported, a large share of which travels from West Asia and eventually moves through the Strait of Hormuz route. A significant share of India’s energy cargo, approximately 40–50% of crude oil imports and most LPG imports is routed through the Strait of Hormuz too, making it a critical chokepoint for India’s energy security.

This creates a structural vulnerability, where even moderate disruptions or price shocks translate into higher fuel costs. Since fuel constitutes a key component of logistics, particularly in a distribution-heavy economy like India, rising crude prices increase transportation and supply chain costs across sectors such as FMCG, retail, e-commerce, and consumer durables. This leads to cost transmission across the value chain, affecting both producers’ margins and end-consumer prices.

Additionally, a significant share of India’s natural gas imports is also linked to this route, impacting energy-intensive sectors such as fertilizers, packaging, and manufacturing inputs. These sectors are closely integrated with consumer industries, creating second-order effects through higher input costs and supply-side pressures. As a result, the consumer industry faces broad-based cost escalation, with companies either absorbing margin pressures or passing on selective price increases, potentially moderating demand in price-sensitive segments.

Overall, the magnitude of exposure is substantial, with a large share of India’s critical energy imports concentrated through a single geopolitical chokepoint. While short-term pressures on costs and supply chains remain elevated, ongoing efforts toward diversification of energy sourcing and strengthening of supply resilience are expected to partially mitigate risks, supporting the sector’s medium- to long-term stability.

1.2 Indian Economic Outlook

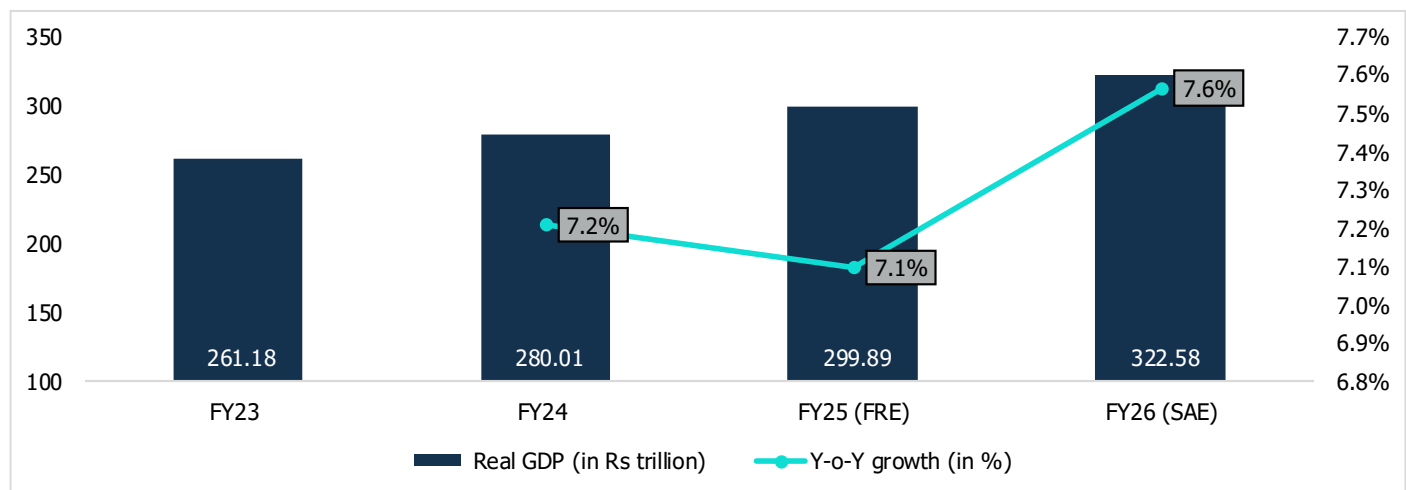
1.2.1 GDP Growth and Outlook

Resilience to External Shocks Remains Critical for Near-term Outlook

The Indian economy continues to show rapid growth. For FY26, GDP is expected to grow by 7.6%, supported by rising rural demand, better job opportunities, and favourable business conditions.

In FY25, provisional estimates show a growth of 7.1% (Rs 299.89 trillion), led by robust performance in manufacturing, construction, and financial services. Consumer spending rose by 7.6%, and government spending increased by 3.8%, both contributing to the overall growth of the economy. In FY23, the real GDP stood at Rs 261.18 trillion and registered Y-o-Y growth of 7.2% in FY24 (Rs 280.01 trillion).

Chart 2: Trend in Real Indian GDP Growth Rate



Source: MOSPI, RBI.

Note: FRE- First Revised Estimates, SAE- Second Advanced Estimates.

The trend for FY23-FY26 is based on new series base year 2022-23.

GDP Growth Outlook (April 2026)

FY27 GDP Outlook: The Reserve Bank of India (RBI) projects real GDP growth at 6.9% for 2026–27, supported by sustained momentum in the services sector, strong reservoir levels aiding the agricultural sector, and private consumption expected to remain uplifted by discretionary spending. The Indian government is also working towards minimising supply chain disruptions in critical sectors to ensure limited interruptions.

However, elevated energy and other commodity prices, as well as the travel disruptions in the Strait of Hormuz are likely to affect the growth this year. However, the government is working towards minimising the impact of the supply chain disruptions towards critical sectors to ensure limited interruptions.

Table 2: RBI's GDP Growth Outlook (Y-o-Y %)

FY27P (Complete Year)	Q1FY27P	Q2FY27P	Q3FY27P	Q4FY27P
6.9%	6.8%	6.7%	7.0%	7.2%

Source: RBI; Note: P-Projected

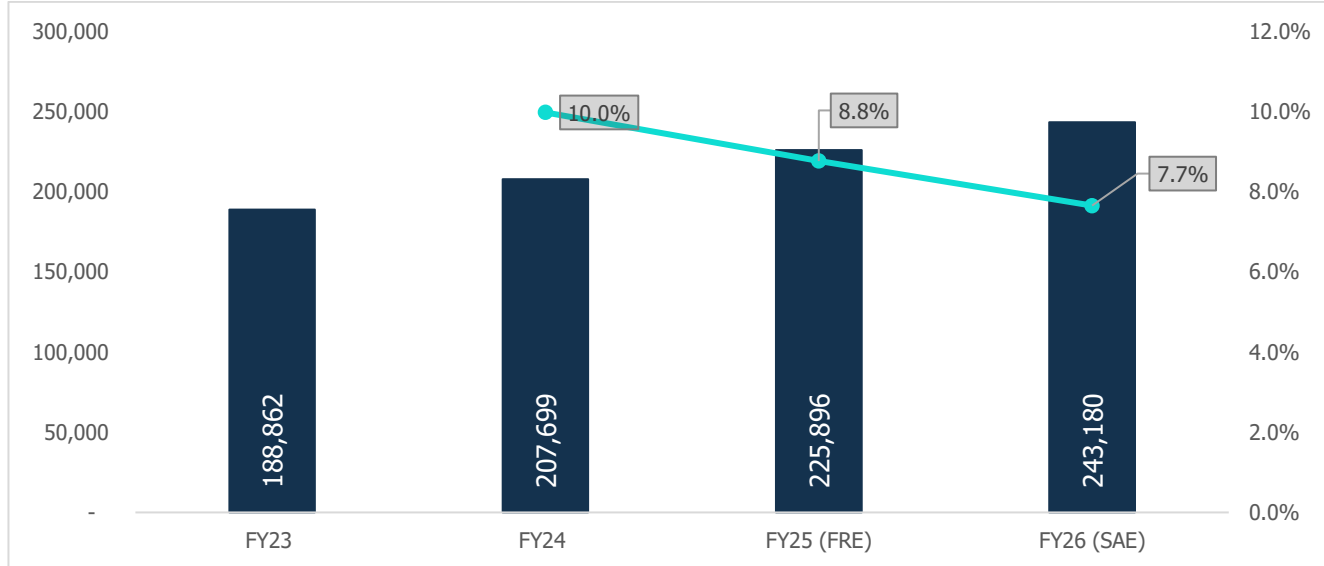
The trend for FY23-FY26 is based on new series base year 2022-23.

1.2.2 India's GDP Per Capita

India's per capita GDP has shown a consistent upward trend over the past decade, reflecting steady economic growth. Rising per capita income, driven by robust economic development, enhances consumer confidence and discretionary spending, reflecting a higher standard of living and overall prosperity.

From FY23 to FY25 (according to the estimates), the per capita GDP increased from Rs 1,88,862 to Rs 2,25,896, with an average growth rate of around 9.4% annually. In FY26, the growth is expected to be around 7.0% at Rs 2,43,180. Key drivers of this growth include structural reforms, digitalisation, rising domestic consumption and increased foreign investment.

Chart 3: Per capita GDP (at Current Prices)



Source: MOSPI.

Note: FRE- First Revised Estimates, SAE- Second Advanced Estimates.

The trend for FY23-FY26 is based on new series base year 2022-23.

1.2.3 Gross Value Added (GVA)

GVA is the measure of the value of goods and services produced in an economy. GVA gives a picture of the supply side, whereas GDP represents consumption. GVA in FY25 was powered by a broad-based rebound across sectors. The gap between GDP and GVA growth stood at 0.1 percentage point in FY25, with GDP growing at 7.2% and GVA at 7.3%, as per MoSPI's provisional estimates released in March 2026.

In FY26 (FAE), real GVA growth of 7.7% is primarily led by manufacturing, Trade, Hotels, Transport, Communication & Services related to Broadcasting, Storage. Industry is estimated at 8.8%, supported by a pickup in manufacturing and construction (11.5% and 7.1% respectively).

Table 3: Sectoral Growth (Y-o-Y % Growth at Constant Prices)

At Constant Prices	FY24 (FRE)	FY25 (PE)	FY26 (SAE)
Agriculture, Forestry & Fishing	2.6	4.2	2.4
Industry	10.9	8.3	8.8
Mining & Quarrying	2.4	11.7	4.1
Manufacturing	12.7	9.3	11.5
Electricity, Gas, Water Supply & Other Utility Services	10.7	2.9	1.5
Construction	9.9	7.3	7.1
Services	7.0	7.9	9.0
Trade, Hotels, Transport, Communication & Broadcasting	10.1	6.6	10.1
Financial, Real Estate & Professional Services	5.5	10.0	9.9
Public Administration, Defence and Other Services	6.8	5.0	5.8
GVA at Basic Price	7.2	7.3	7.7

Source: MOSPI; Note: FRE- First Revised Estimates, SAE – Second Advanced Estimates.

The trend for FY24-FY26 is based on new series base year 2022-23.

1.2.4 Trends in Per capita State Domestic Product (SDP)

SDP is the total value of goods and services produced, during any financial year, within the geographical boundaries of a state. The top performing states on per capita SDP include Delhi, Gujarat, Karnataka, and Tamil Nadu, due to their strong industrial and services base, higher urbanisation, better infrastructure and greater investment inflows, leading to higher income generation.

As of FY25, major states having a per capita SDP below national average include Andhra Pradesh, Rajasthan, Madhya Pradesh and Uttar Pradesh growing Y-o-Y by 8.0%, 6.9%, 4.7% and 7.9% respectively. Bihar is the poorest performing state with a per capita SDP of Rs 33,996. It has consistently been performing the poorest since FY18, growing merely at a CAGR of 4.5% from FY18 to FY25. Bihar’s poor performance is due to factors such as a high population base, lower levels of industrialisation, infrastructure gaps, lower human capital development and higher dependence on agriculture, which together limit productivity and income growth.

Table 4: Per Capita SDP for Key States (at Constant prices, in Rs)

State\UT	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Andhra Pradesh	1,03,177	1,08,853	1,10,587	1,10,971	1,18,349	1,23,853	1,31,083	1,41,609
Bihar	26,719	29,092	29,798	26,839	27,674	30,678	33,966	36,342
Gujarat	1,43,604	1,54,887	1,64,060	1,56,285	1,70,519	1,81,963	NA	NA
Karnataka	1,40,747	1,49,024	1,56,478	1,49,673	1,65,517	1,82,371	1,91,970	2,04,605
Madhya Pradesh	54,824	59,005	60,452	56,086	61,011	63,681	67,301	70,434

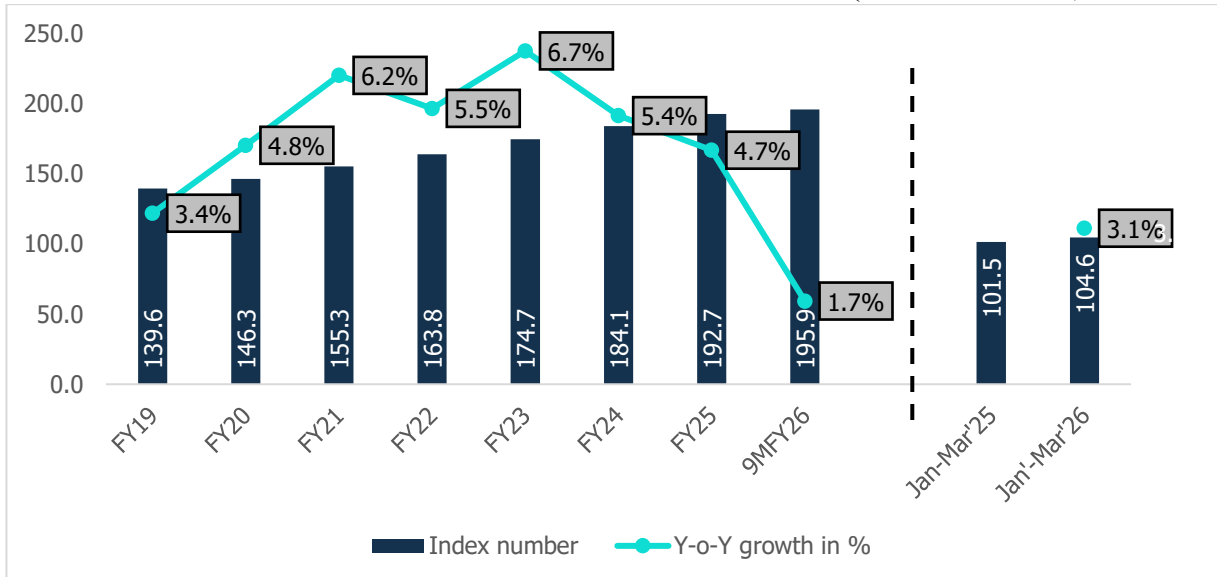
State\UT	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Maharashtra	1,37,808	1,40,782	1,45,626	1,27,550	1,41,651	1,54,979	1,66,013	1,76,678
Rajasthan	73,529	73,975	76,840	73,447	79,490	84,585	90,414	96,638
Tamil Nadu	1,33,029	1,41,844	1,44,845	1,43,482	1,54,269	163,205	1,78,496	1,97,747
Uttar Pradesh	41,771	42,333	43,061	39,866	45,294	48,014	51,898	55,990
Delhi	2,52,960	2,57,597	2,60,559	2,28,162	2,39,821	2,52,768	2,71,490	2,83,093

Source: MOSPI

1.2.5 Consumer Price Index (CPI) Records Combined Inflation Rate of 3.4% in March 2026

CPI inflation for March 2026 stood at 3.4%, reflecting a 3.2% increase compared to March 2025. Corresponding inflation rates for the rural and urban areas are 3.63% and 3.11% respectively.

Chart 4: Retail Price Inflation in Terms of Index and Y-o-Y Growth in % (Base: 2011-12=100, 2023-24=100)

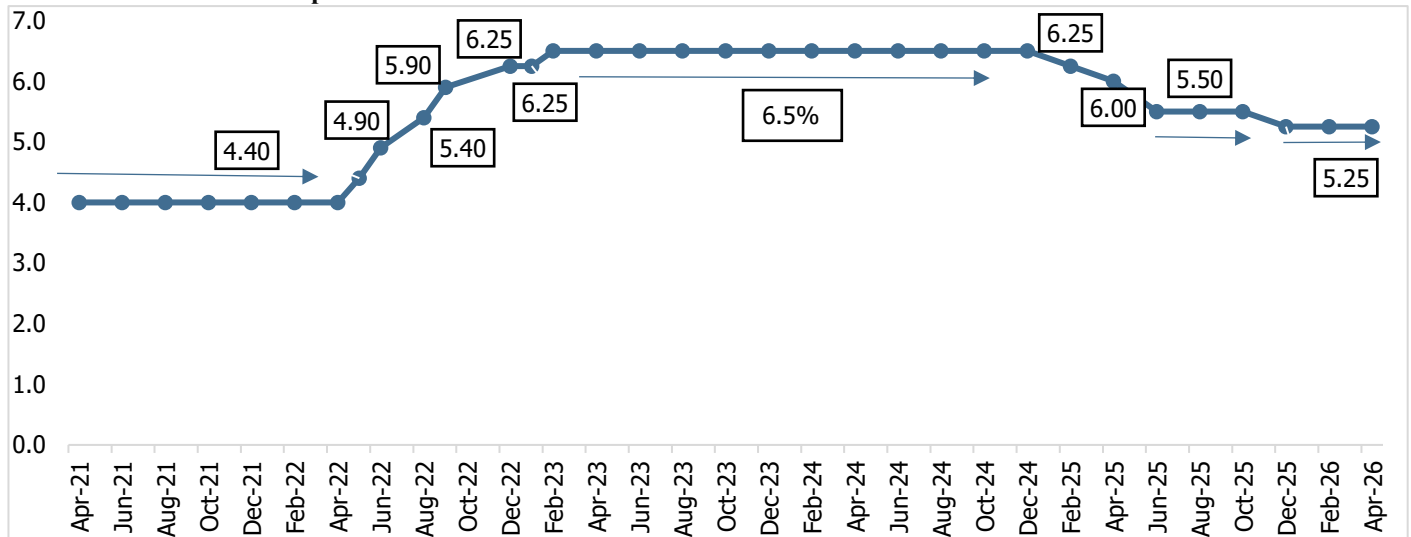


Source: MOSPI; Note: year for FY26 YTD has been revised to 2024, while prior years remain on the 2012 base; the January-March 2025 and 2026 figures are also reported on the 2024 base.

The CPI is primarily factored in by RBI while preparing their bi-monthly monetary policy. At the bi-monthly meeting held in April 2026, RBI projected inflation at 4.6% for FY27 with inflation during Q1FY27 at 4.0%, Q2FY27 at 4.2%, Q3FY27 at 5.2% and Q4FY27 at 4.7%.

Considering the current inflation situation, RBI has maintained the repo rate at 5.25% in the April 2026 meeting of the Monetary Policy Committee (MPC).

Chart 5: RBI Historical Repo Rate



Source: RBI

RBI maintained a ‘neutral’ monetary policy stance, though, the MPC noted an increase in geopolitical tensions. The growth is expected to be supported by robust private consumption and investment demand. RBI has adopted for a non-inflationary growth with the foundations of strong demand and supply with a good macroeconomic balance. With volatile trade conditions in view, the domestic growth and inflation curve requires the policies to be supportive.

The India Meteorological Department (IMD) expects a below normal monsoon, rains in most parts of the country, except in some areas of the northeast, southern peninsula, and northwest India which is likely to affect inflation levels.

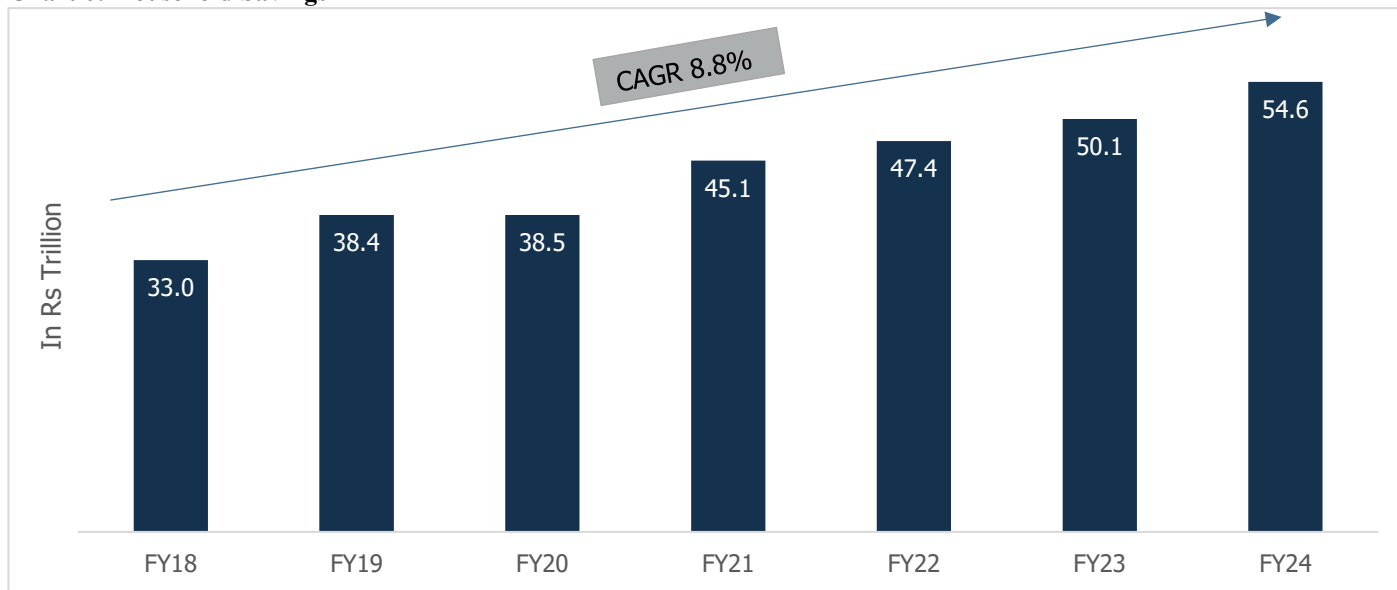
The prices of petrol and diesel remain have not increased yet as the refineries have been absorbing the shocks by reducing the excise duty, despite high global crude oil prices. However, a hike in prices remains monitorable due to high company losses. The rise in energy prices and weather disturbances affecting food prices are upside risks to inflation.

1.2.6 Household Savings’ Shifting Focus from Physical Assets to Financial Assets

Household savings are of the household sector, measured as its excess of income over consumption and invested in financial assets and physical assets. Household savings in India have grown at an 8.8% CAGR since FY18, reaching Rs 54.6 trillion in FY24, a 9.0% Y-o-Y increase. A shift toward physical assets, particularly housing and gold/silver ornaments, reflects a preference for tangible investments amid high inflation and slow growth in monetary assets. Savings in the form of gold and silver ornaments (% of Household sector savings) was reported at 1.2% in FY24.

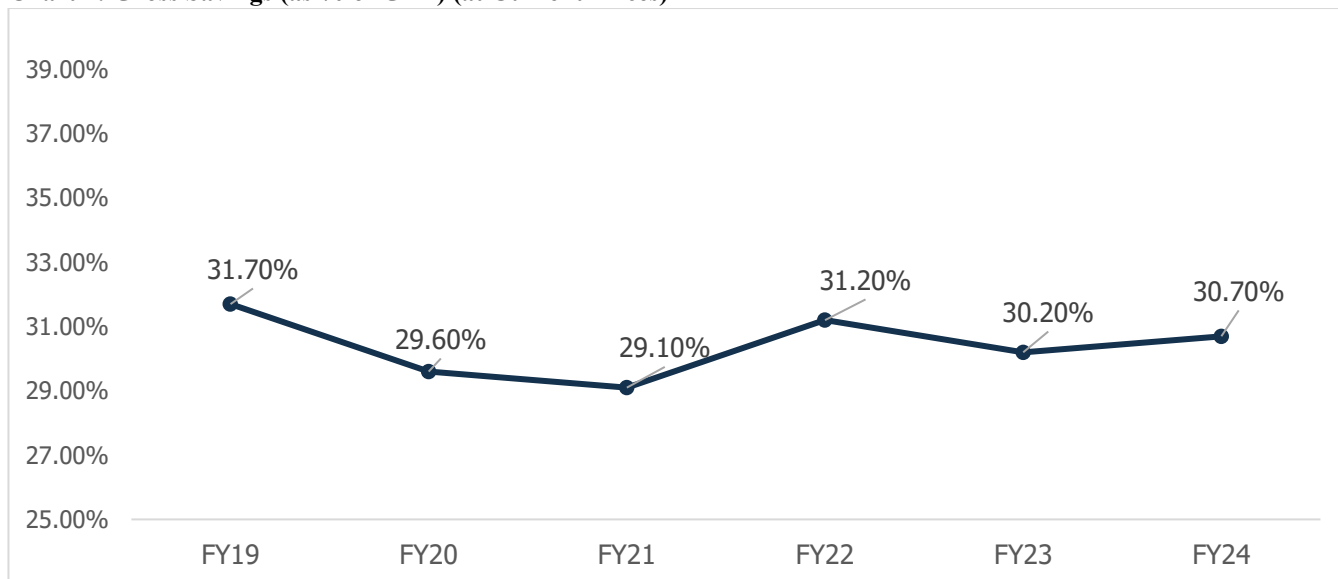
This increasing trend towards physical assets is occurring alongside a rise in household leverage, with borrowing, especially for housing, automobiles, and personal consumption, pushing household financial liabilities to a six-year high. Mutual funds and life insurance also grew, with an 11.5% and 13.6% Y-o-Y increase, respectively, while investment in equities and capital market instruments rose as they offer higher returns than bank deposits.

Chart 6: Household Savings



Source: MOSPI

Chart 7: Gross Savings (as % of GDP) (at Current Prices)



Source: MOSPI

Gross Domestic Savings (GDS) are the total savings within the economy, comprising the savings of the household, private corporate and public sectors. GDS as percentage of GDP has seen a flat growth moving within a narrow range. Within the last five years, it was highest in FY19 at 31.7%. It declined to less than 30% during FY20 and FY21 on account of COVID-19 pandemic, increasing again to 31.2% in FY22 before declining to 30.2% in FY23. The trend picked up marginally in FY24 to 30.70%.

As of FY24, Savings were Rs 92.59 trillion indicating a Y-o-Y growth of 12.3% while GDP was at Rs 301.23 trillion showing a growth of 12.0%.

1.2.7 Growth of the Middle Class in India and the Rural Economy in India

The Indian rural economy is becoming a significant driver of the Fast-Moving Consumer Goods (FMCG) sector's resurgence, signalling a promising turnaround in aggregate demand after a slow start to the FY24-25. RBI highlights that rising incomes and improved infrastructure are fuelling increased rural consumption of FMCG products. This boost is supported by a rise in rural savings, marked by growing numbers of savings bank accounts and balances, and a reduction in inflationary pressures, which has allowed rural consumption to catch up with urban areas. Additionally, favourable monsoon conditions and improved sowing data are expected to sustain this growth, complemented by increased government spending on rural development and infrastructure.

The expansion of middle-income households in rural India is transforming the country's economic landscape. This growth is driven by rising incomes, increased discretionary spending, a shift towards online and omnichannel shopping, and advancements in payment and logistics infrastructure. There is also a notable dietary shift in rural areas from carb-based foods to more protein-rich diets. India's middle class, characterised by significant income variability, exhibits diverse spending patterns. Lower-middle-class households allocate much of their income to private healthcare, education and essential consumer goods such as motorbikes and basic appliances. In contrast, the upper-middle-class invests in luxury items, entertainment, property, and personal services, with a higher propensity to own assets like cars, computers, and air conditioners. Both segments of the middle class are substantial and emerging as key drivers of consumption and economic growth in India. Recent policies, including the Mahatma Gandhi National Rural Employment Guarantee Act, have increased rural incomes, enabling more rural households to enter the middle class. The growing, more inclusive, and politically engaged middle class reflects broader economic growth, although there is a risk of social strain if growth falters and quality job creation does not keep pace.

The government's budget measures which focus on agriculture, infrastructure and rural development, aim to increase incomes and revitalise the rural sector. These measures include transforming agricultural research, introducing new crop varieties, promoting natural farming and enhancing digital infrastructure for agriculture. Successful implementation of these programs, coupled with proper fund allocation, is crucial for improving farm incomes and strengthening supply chains. A shift towards diversified, high-value agricultural production, along with marketing and trade reforms, is needed to foster more inclusive, environmentally friendly and climate-resilient agriculture.

Despite higher absolute incomes among the wealthy class, the sheer size of India's middle class indicates it will become a major force in the economy, creating one of the world's largest markets. This burgeoning middle class, with its growing discretionary spending power, is poised to drive investment, generate employment and spur further economic growth. Assuming effective reforms are implemented, and the middle class expands to over one billion people, its role will be pivotal in India's economic and social fabric, influencing a wide range of activities from consumption to employment and political change.

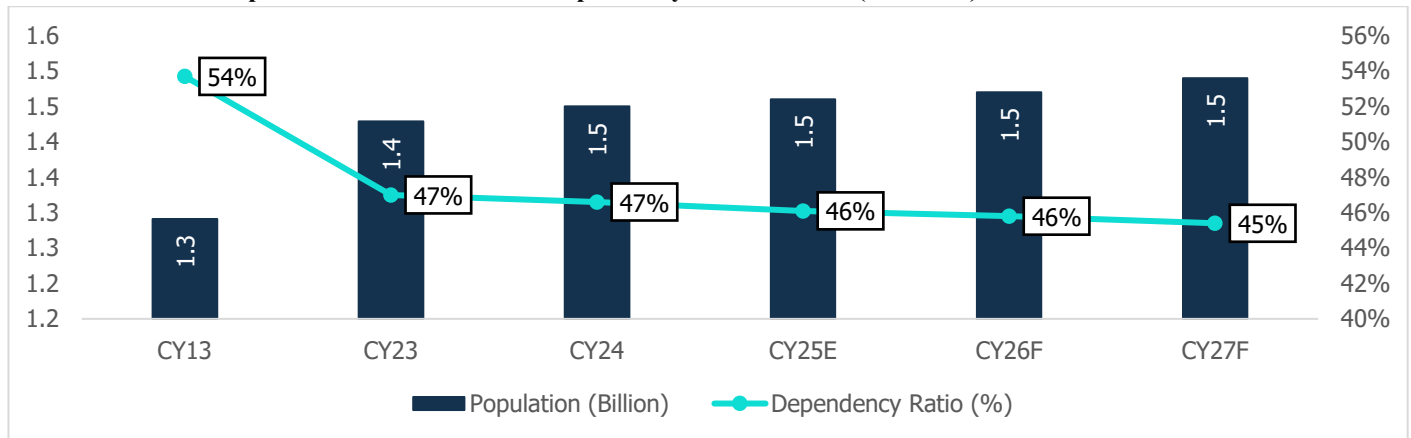
1.2.8 Overview on Key Demographic Parameters

• Population Growth and Urbanisation

The trajectory of economic growth of India and private consumption is driven by socio-economic factors such as demographics and urbanisation. According to the World Bank, India's population in CY22 surpassed 1.42 billion, slightly higher than China's population (1.41 billion) and became the most populous country in the world.

Age Dependency Ratio, ratio of dependents to the working age population, i.e., 15 to 64 years, wherein dependents are population younger than 15 and older than 64 is on decline. Declining dependency means the country has an improving share of working-age population generating income, which is a good sign for the economy. It was as high as 76% in 1983, which has reduced to 47% in CY23. However, this ratio is expected to rise again to 54% by CY36, driven by an increase in the elderly population as life expectancy improves.

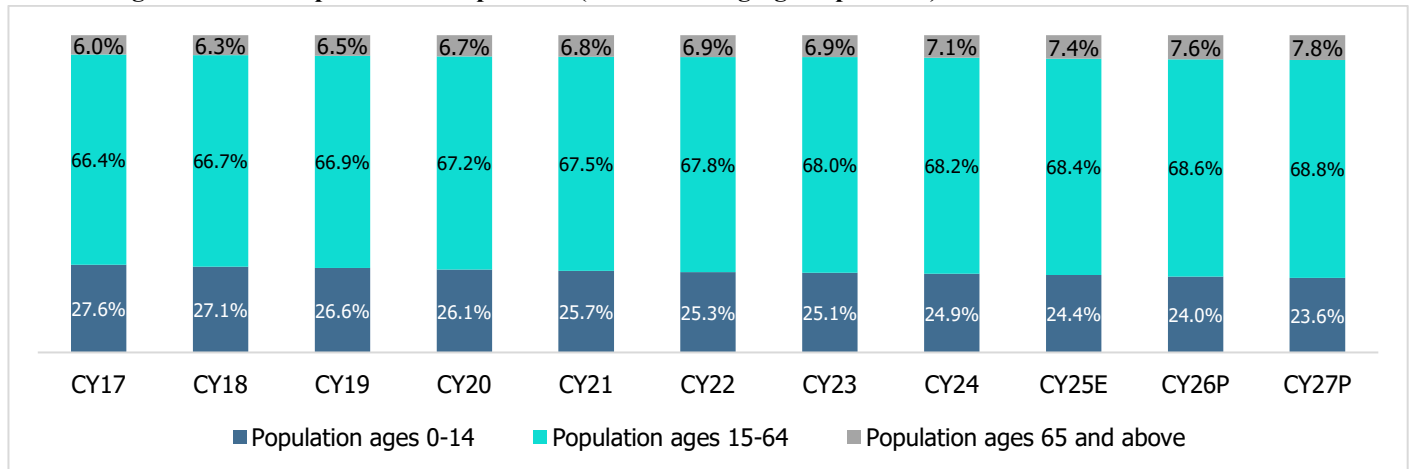
Chart 8: Trend in Population Growth vis-à-vis Dependency Ratio in India (in Billion)



Source: World Bank Database, MOSPI; Note; E- Estimated, F- Forecasted

Despite a projected rise in the dependency ratio to 54% by CY36, India’s young and growing workforce, especially in newly urbanised towns, will continue to drive income growth and consumer demand. This presents strong opportunities for sectors like consumer electronics, transportation and railways. Rising employment, urbanisation and government investment in rural development and digital infrastructure will further boost demand, while increased tech adoption supports long-term consumption growth across both urban and rural markets.

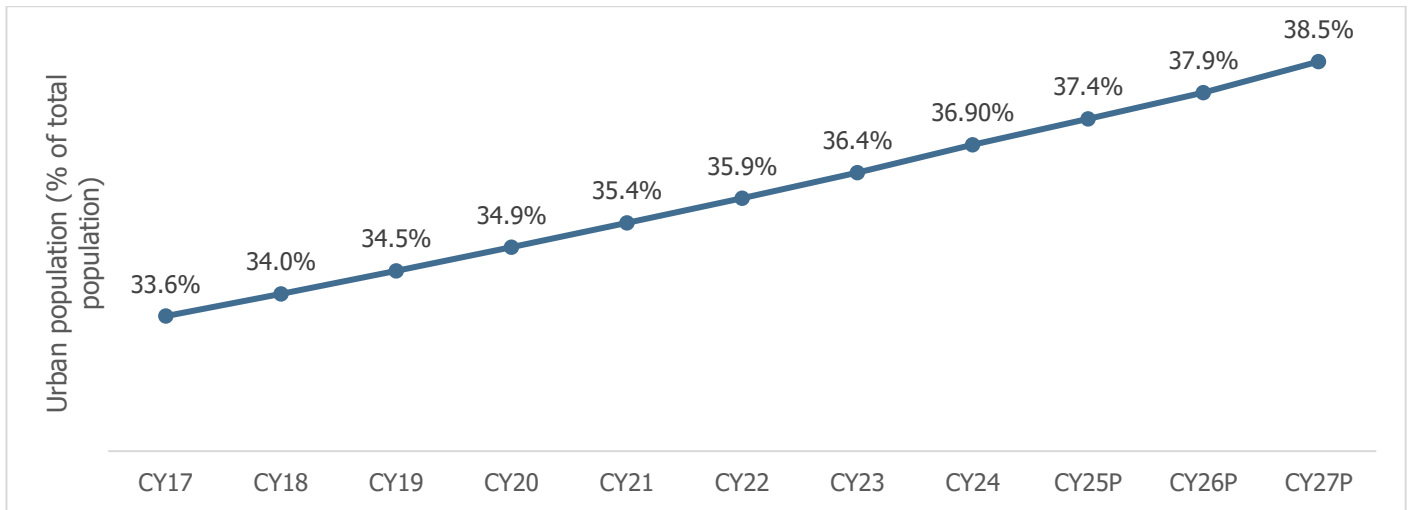
Chart 9: Age-wise Break-up of Indian Population (% of Working-age Population)



Source: World Bank Database; Note; E- Estimated, F- Forecasted

The urban population is significantly growing in India. The urban population in India is estimated to have increased from 413 million (32% of total population) in CY13 to 519.5 million (36.4% of total population) in the year CY23. India is undergoing a significant urban transformation, with the urban population projected to rise to 40% by CY36. This shift is driven by factors such as improved living standards, increased employment opportunities in urban areas, and government initiatives aimed at urban development. This rapid urbanisation might necessitate substantial investments in infrastructure, housing, and transportation.

Chart 10: Urbanisation Trend in India



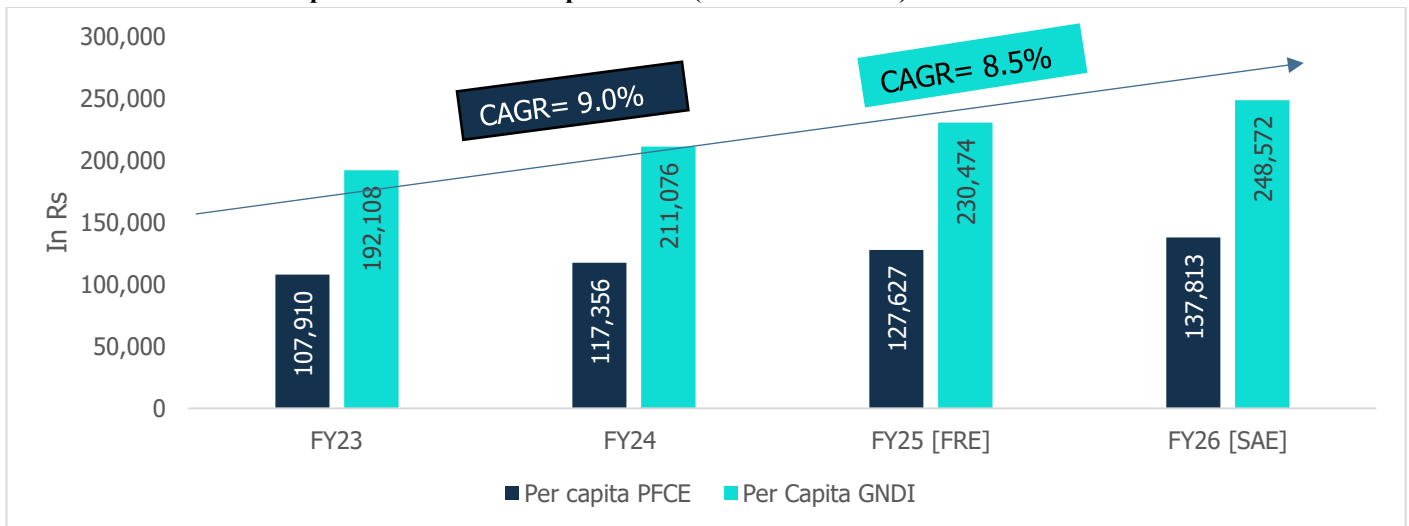
Source: World Bank Database; Note; E- Estimated, F- Forecasted

• **Increasing Disposable Income and Consumer Spending**

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY23 to FY26, per capita GNDI at current prices registered a CAGR of 8.5%. More disposable income drives more consumption, thereby driving economic growth.

With increase in disposable income, there has been a gradual change in consumer spending behaviour as well. Per capita Private Final Consumption Expenditure (PFCE) which is measure of consumer spending has also showcased significant growth from FY23 to FY26 at a CAGR of 9.0%.

Chart 11: Trend of Per Capita GNDI and Per Capita PFCE (at Current Prices)



Source: MOSPI; Note: FRE – First Revised Estimates, SAE- Second Advanced Estimates

The trend for FY23-FY26 is based on new series base year 2022-23.

1.3 Conclusion

From a macroeconomic standpoint, India remains one of the most resilient large economies in a challenging global environment. The IMF forecasts GDP growth of 6.5% in CY26, far outpacing the estimated CY26 global average of 3.1%. This performance reflects a combination of strong domestic fundamentals, policy stability and a sustained focus on capital formation. While the global economy continues to face uncertainty from geopolitical conflicts, commodity price volatility and rising public debt, India's diversified growth drivers, stable policy framework and expanding export ecosystem position it well to navigate these headwinds.

The key sectors with potential exposure to changes in US tariff policy include engineering goods, electronics, gems and jewellery, pharmaceuticals, textiles and automobiles/auto components, given their material export linkages to the US market.

As of April 2026, the India-US interim trade agreement has not yet been finalised, and negotiations remain ongoing due to legal and policy uncertainties in the United States. In February 2026, the United States agreed to reduce reciprocal tariffs on Indian exports to 18% from 25% as part of an interim trade understanding. This reduction was intended to improve India's export competitiveness and was expected to lead to a formal agreement by April 2026.

Beyond the US, India is actively broadening its export base to reduce dependency on any single market. Strengthening trade links with the European Union, ASEAN, and African economies is helping diversify risk and stabilise export earnings. Policy initiatives supporting logistics modernisation, lower tariff barriers and industrial corridor development continue to enhance India's competitiveness as a global manufacturing hub.

The Iran conflict has led to an increase in prices of consumer products in India due to potential higher fuel, freight and input costs, which can make everyday goods like FMCG items, plastics and packaged foods more expensive. Disruptions in shipping and fertiliser supplies are also pushing up food prices, affecting imports of agricultural inputs and leading to costlier food products for consumers. Overall, delays in trade routes and rising logistics costs are reducing availability and increasing prices of imported consumer goods, especially from Gulf-linked supply chains. Overall, this is leading to supply shortages, rising costs, and production slowdowns in India's chemical and pharma sectors, with the impact likely to worsen if the conflict continues. Prolonged geopolitical tensions or conflict in the region could lead to sustained increases in crude oil and LPG prices, which may translate into higher input costs across industries and contribute to inflationary pressures in the Indian economy.

Domestically, policy momentum remains strong. The 56th meeting of the GST Council marked a major structural reform by proposing a simplified two-rate system of 5% and 18%, replacing the earlier four-slab framework, along with a 40% demerit rate for luxury and sin goods. This rationalisation aims to reduce compliance burdens, enhance efficiency, and stimulate private consumption. Together with recent revisions in personal income tax rates, these measures are projected to release savings exceeding Rs 2.5 lakh crore into the economy, supporting demand and easing inflationary pressures.

The Union Budget's allocation of Rs 12.20 lakh crore for capital expenditure in FY27 further reinforces the government's commitment to infrastructure-led growth. Public investment is expected to catalyse private sector activity, evidenced by rising project announcements and growing imports of capital goods. Improving rural demand, supported by healthy monsoon progress, favourable sowing conditions, and adequate reservoir levels, provides additional tailwinds for consumption and investment.

2 Global Gems & Jewellery Industry

2.1 Overview of the Global Gems and Jewellery Industry

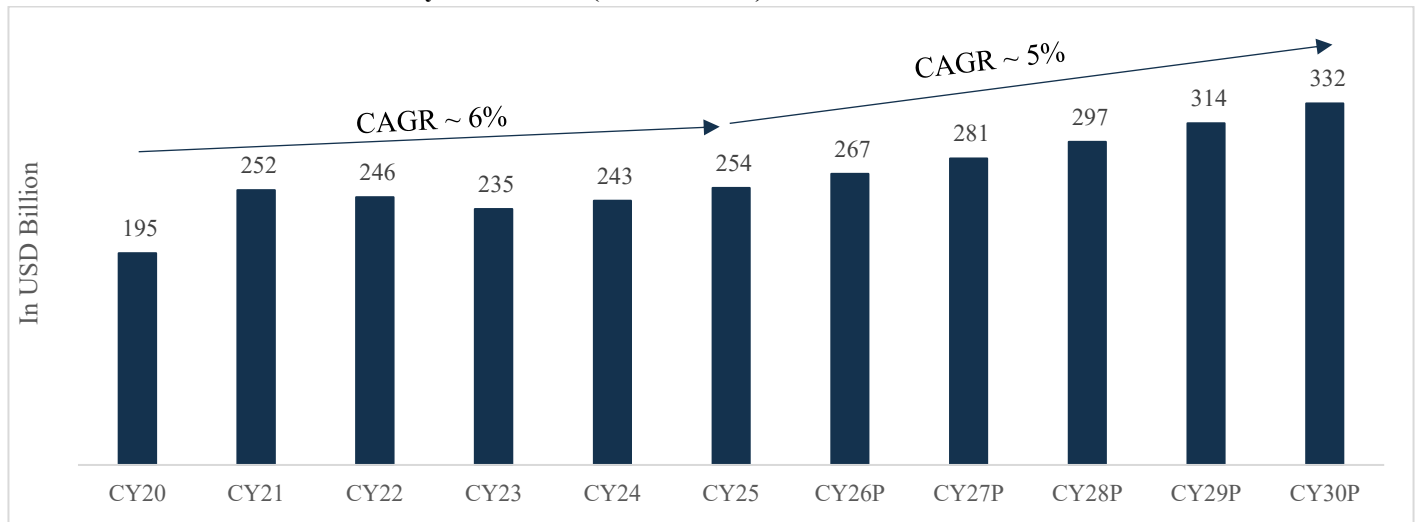
The global jewellery market is shaped by diverse economic trends, cultural practices, and shifting consumer preferences. The interest in gold chains and necklaces extends beyond weddings and special events. People increasingly wear platinum and gold rings, delicate gold chains, bracelets, and anklets as everyday fashion accessories. These items are also commonly given as gifts for occasions like birthdays and anniversaries. This shifting consumption pattern is likely to drive market growth. Modern designs and emerging fashion trends are drawing in customers, and manufacturers are capitalising on these frequent changes by creating unique products to attract buyers. Coloured gemstones such as emeralds, sapphires, and opals are gaining prominence, adding vibrant touches and uniqueness to jewellery collections. While classic earring and necklace sets remain popular, artificial jewellery is exploring new avenues, with items like hair clips, headbands, anklets, and waist chains gaining popularity as ways to showcase personal style.

The global appetite for jewellery is anticipated to grow as more individuals seek luxury items. Jewellery offers various benefits, including enhancing certain body features, reflecting fashion trends and styles, and improving one's appearance or that of others. Its appeal as a status symbol among higher-income groups has accelerated its consumption. The rising demand for contemporary designs and the influx of new designers are further driving market expansion.

The global gold jewellery market is likely to grow due to increasing consumer disposable income and the appeal of gold as a long-term investment. Gold is considered a haven, and most investors turn to gold during market turmoil for safe investment. Between CY20 to CY24, the global gems and jewellery market rebounded, achieving a (CAGR) of 5.7%. The diamond-studded gold jewellery segment has also gained traction, particularly in developed markets like North America and China, where it holds a higher share due to consumer preference for branded and certified jewellery.

2.1.1 Market Size and Trend of the Global Gems and Jewellery Industry

Chart 12: Global Gems and Jewellery Market Size (CY20-CY30P)



Source: IMARC Group, CareEdge Research

In CY25, the global gems and jewellery industry has reached at around USD 254 billion, and it recorded CAGR of 5.5% during CY20 to CY25. This is due to economic uncertainties, pandemic-related disruptions, and shifting consumer preferences toward essential spending. There has been a slight slowdown in CY23 compared to CY22 due to the economic slowdown caused by geopolitical tensions and regional conflicts. However, the gems and jewellery market is expected to reach USD 332 billion by CY29P, driven by economic recovery, rising disposable incomes in emerging economies, and increased demand for innovative and ethically sourced jewellery options.

The global gems and jewellery market is expected to experience steady growth in the coming years, fuelled by emerging economies and rising disposable incomes. Although gold and diamond jewellery will continue to dominate the market, alternative materials are likely to see increased demand due to concerns over ethics and affordability. Additionally, the growth of e-commerce platforms and innovations in jewellery design technology are anticipated to drive significant expansion.

3 Gems and Jewellery Industry in India

3.1 Overview of Indian Gems & Jewellery Industry

The Indian gems and jewellery industry is a significant pillar of the national economy, contributing approximately 7% to GDP and around 15% of total merchandise exports. The sector is expected to grow steadily, supported by strong domestic consumption and resilient international demand. India is the world's largest diamond-cutting and polishing hub, accounting for over 90% of global polished diamond production.

The industry comprises multiple segments, including gold jewellery, diamond jewellery, coloured gemstones, and diamond-studded gold jewellery, with gold jewellery dominating due to its deep cultural and religious significance. Jewellery continues to play an integral role in weddings, festivals, and ceremonial occasions, reinforcing sustained demand. The manufacturing ecosystem is geographically concentrated in Maharashtra, Gujarat, and Tamil Nadu.

Within this broader landscape, **the retail gems and jewellery segment** has emerged as a key growth driver. The retail market, traditionally led by unorganised family-run jewellers, is undergoing a structural shift towards organised and branded players. This transition is driven by rising consumer preference for certified products, transparency in pricing, greater design variety, and mandatory hallmarking. Organised national and regional chains are rapidly expanding their presence across metros as well as Tier II and Tier III cities. The adoption of digital retail, omni-channel models, and virtual try-on technologies is reshaping the consumer buying journey, particularly among younger, urban consumers who increasingly prefer lightweight, contemporary, and daily-wear jewellery. This shift is supporting formalisation and enhancing trust, quality standards, and market efficiency.

In 2024, seven major trade fairs were organised by prominent bodies, including the Gem and Jewellery Export Promotion Council (GJEPC) and the All-India Gem and Jewellery Domestic Council, across cities such as Jaipur, Mumbai, Bengaluru, Coimbatore, Delhi NCR, Hyderabad, and Kolkata. These events facilitated innovation, business networking, and domestic and international trade opportunities.

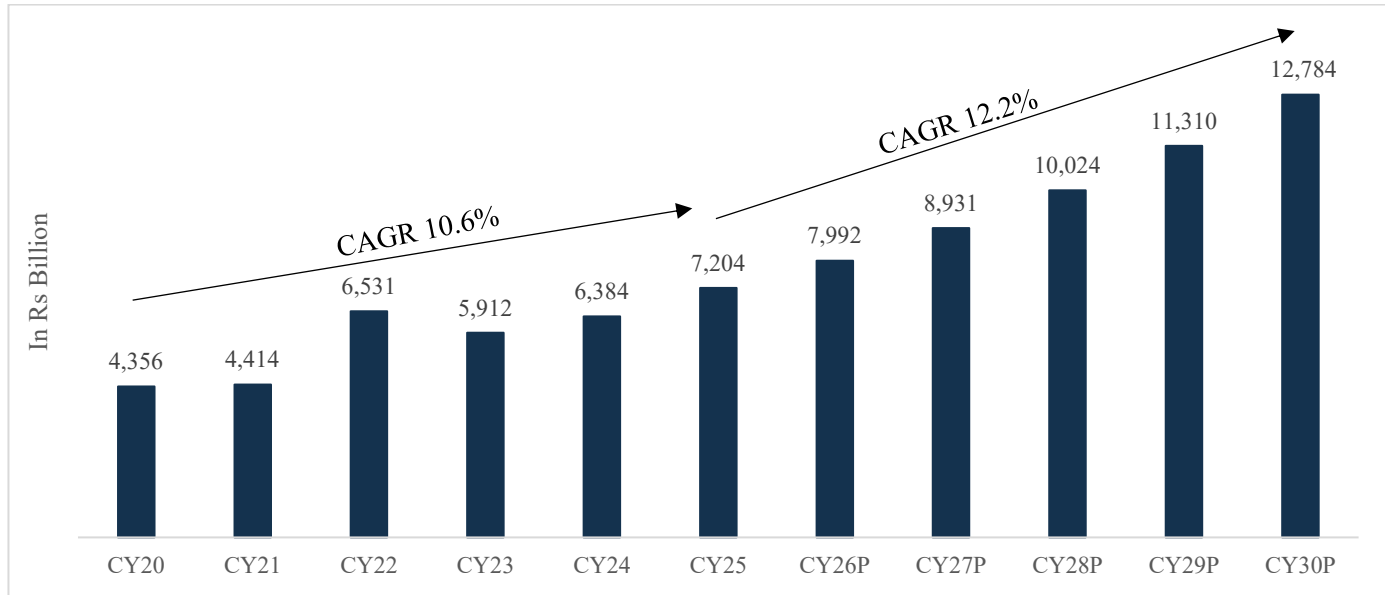
Domestic demand is being propelled by rising disposable incomes, urbanisation, and evolving lifestyle preferences. On the export front, key markets such as the U.S., UAE, and Hong Kong continue to support growth, while policy initiatives and trade agreements strengthen India's global competitiveness.

The sector, however, faces challenges including gold price volatility, dependency on imports, competition from synthetic diamonds, and regulatory compliance requirements. These risks are being mitigated through government interventions, product diversification, and technological improvements. Although the adoption of advanced technologies such as blockchain and digital retail platforms is still at an early stage, they are expected to enhance transparency and operational efficiency over time.

Overall, the Indian gems and jewellery industry continues to demonstrate resilience, leveraging its traditional strengths, skilled workforce, and evolving consumer preferences. The interplay of modern retail practices, supportive policies, and deep-rooted cultural demand positions the sector for sustained long-term growth.

3.2 Indian Retail Gems & Jewellery Industry Market Size

Chart 13: Indian Retail Gems & Jewellery Industry Market Size (CY20-CY30P)

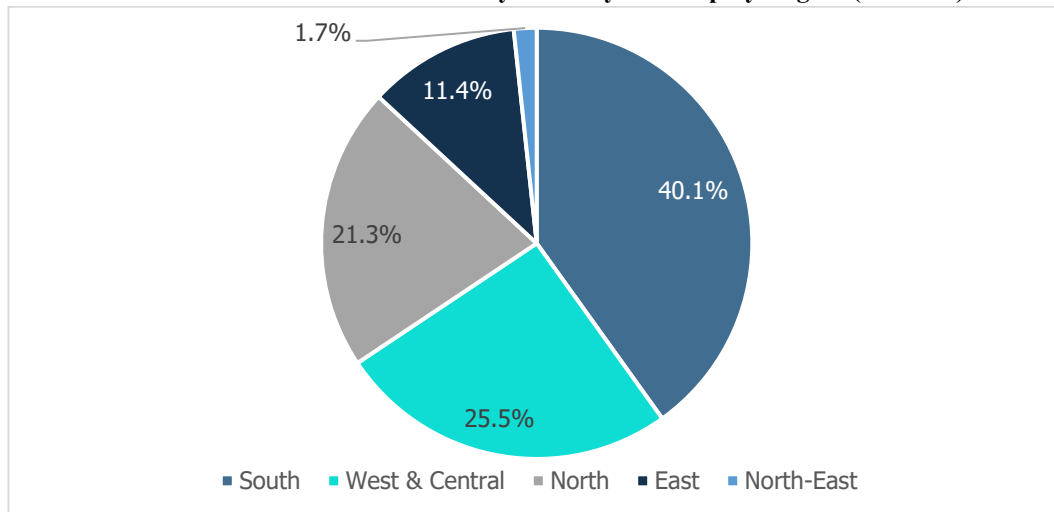


Source: IMARC Group, CareEdge Research

In CY25, the domestic retail gems and jewellery industry was valued at around Rs. 7,204 billion, with a CAGR of 10.6% during CY20–CY25. Further, the retail gems and jewellery market is expected to grow at a CAGR of 12.2% between CY25 and CY30. The growth is supported by rising gold prices (driving value growth), increasing disposable incomes, rapid urbanisation, and evolving consumer preferences toward branded and design-oriented jewellery, along with a gradual shift toward organized retail channels. The shift from unorganised to organised retail, driven by mandatory hallmarking, transparent pricing, and growing trust in branded products—is accelerating industry formalisation. Strong demand for lightweight, contemporary designs, particularly among younger consumers, along with omnichannel retail expansion, virtual try-ons, and digital engagement tools, is further enhancing market growth. In addition, sustained wedding- and festival-led demand, expansion of organised players into Tier II and Tier III cities, and growing interest in categories such as diamond jewellery and lab-grown diamonds are contributing to the sector’s growth.

3.3 India Retail Gems and Jewellery by Region

Chart 14: Indian Retail Gems and Jewellery Industry Breakup by Region (% share) in CY25



Source: IMARC Group, CareEdge Research

Jewellery preferences vary significantly across different age groups, reflecting the evolving interests, lifestyles, and values of Indian women. Every demographic has different needs and perspectives, from senior women who value traditional motifs to young brides who choose modern patterns. Furthermore, according to a report by the World Gold Council, recent interactions between Metals Focus and retailers have highlighted a significant increase in demand for lightweight jewellery, especially in the daily wear segment. For instance, it is now common to find chains or Mangalsutras weighing just 5-8 grams, a development that would have been unlikely five years ago. This surge in demand can be attributed to the rising per capita income, increased expenditure on jewellery, a higher number of weddings in India, and the influence of social media. These demographic shifts have significantly impacted gold jewellery purchases in recent years.

Regional demographics play a crucial role in influencing purchase decisions. In South India, the tradition of investing heavily in gold jewellery is deeply ingrained, with families often prioritising substantial, intricate designs that reflect both wealth and cultural heritage. The emphasis on gold as an investment also drives higher expenditure in this region.

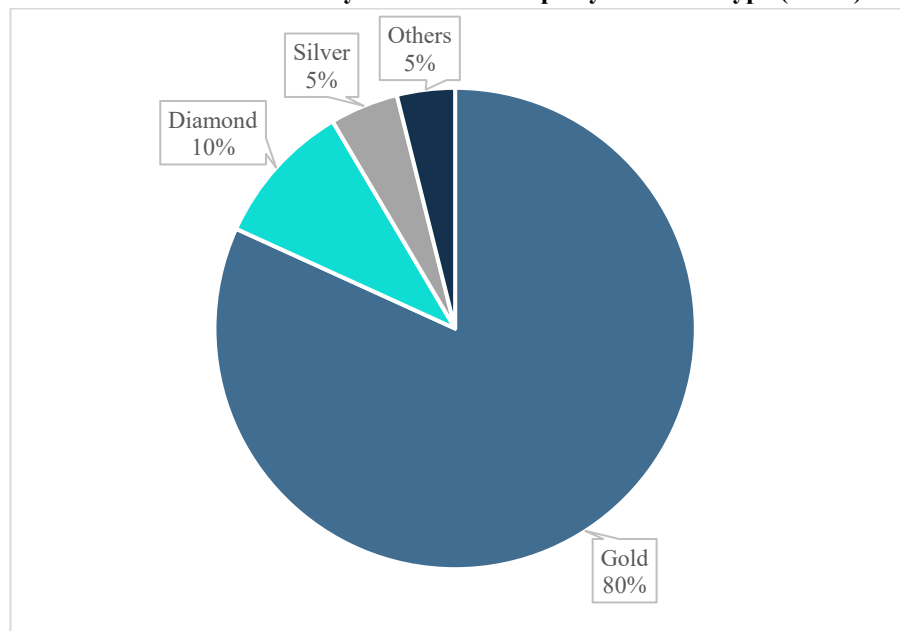
In contrast, Maharashtra sees continuous spending on jewellery, driven by strong replacement demand. Women in this region often buy new pieces or upgrade existing ones, reflecting both cultural practices and evolving fashion trends. The state's inclination towards nath (nose rings) and kamarband (waistbands) also influences the jewellery market.

In North India, the preference for heavy gold jewellery remains strong, but there's a growing trend towards more versatile, lightweight designs that cater to modern lifestyles. Meanwhile, in Eastern India, especially Bengal, traditional motifs inspired by nature dominate jewellery designs, reflecting the region's rich cultural heritage.

3.4 India Gems and Jewellery Market Share

India's gems and jewellery market is one of the largest and most vibrant in the world, deeply embedded in the country's cultural and economic life. The market can be divided by material type, with gold, diamonds, gemstones, and other materials each playing a significant role in its diversity and value.

Chart 15: Gems and Jewellery Market Breakup- By Material Type (CY25)



Source: IMARC Group, CareEdge Research

In 2025, gold was the dominant material in India's gems and jewellery market, making up 80% of the total market share. It was followed by diamonds (10%), silver (5%), and other materials (5%).

Gold: Gold remains the foundation of India's jewellery market, due to its cultural and historical importance. It is highly prized for weddings and festivals, and as an investment, often seen as a symbol of wealth and social status. Although demand fluctuates with market prices and economic factors, gold jewellery continues to be in strong demand, thanks to its deep ties to tradition. There has also been a growing interest in lighter, more modern gold jewellery designs, particularly among younger consumers, adding a contemporary layer to the traditional market.

Diamond: The diamond jewellery sector in India has seen robust growth in recent years, particularly among consumers looking for luxury and exclusivity. Diamonds are a popular choice for special occasions, particularly weddings, and are often seen as a symbol of sophistication. This segment is supported by a strong retail presence and branding efforts from both domestic and international jewellers. Innovations in diamond cutting and bespoke design options have further driven interest, making diamond jewellery a staple in modern Indian collections.

Silver: Silver is valued for its affordability and versatility, appealing to a broader customer base. It is commonly used in both traditional and modern jewellery designs, such as bangles, anklets, and earrings. Silver also plays a key role in fashion jewellery, where its flexibility allows for more creative and experimental styles. The material has gained popularity due to its cost-effectiveness in comparison to gold and diamonds, particularly among middle-income consumers. Additionally, the rise of silver-plated and sterling silver items has introduced a modern twist to traditional designs, catering to changing consumer preferences.

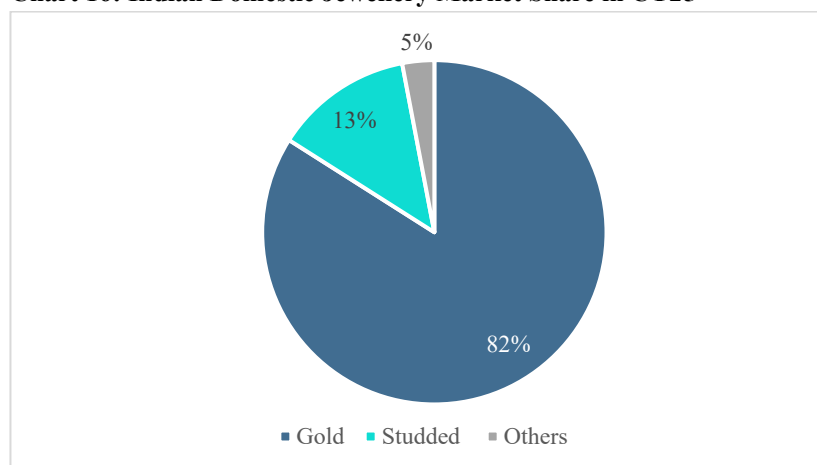
Others: The "others" category encompasses a variety of materials, including gemstones and non-traditional metals. Fashion jewellery incorporating synthetic and alternative materials is on the rise, attracting consumers who seek trendy yet affordable options. This segment is particularly appealing to fashion-forward buyers looking for unique, budget-friendly pieces.

3.5 Share of Various Segments in the Indian Gems & Jewellery Industry

Key Segments of the Indian Gems and Jewellery Industry:

The Indian G&J industry broadly consists of gold jewellery, studded jewellery and other jewellery types like platinum jewellery, fashion jewellery, and silver jewellery.

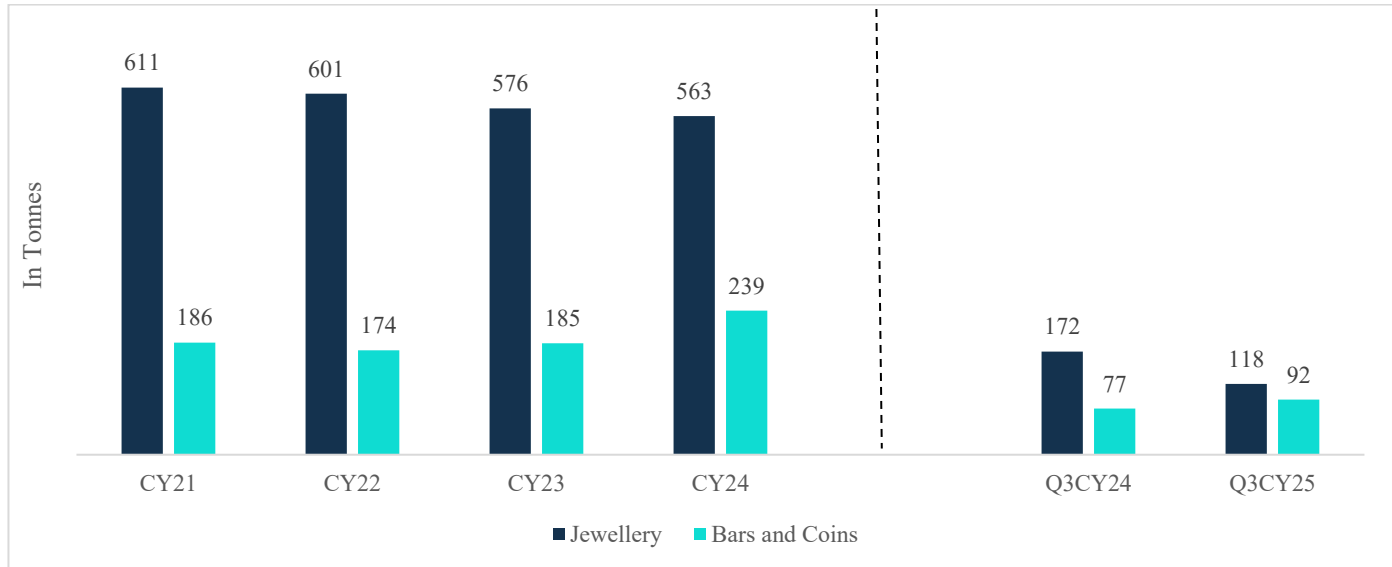
Chart 16: Indian Domestic Jewellery Market Share in CY25



Source: Industry Sources, CareEdge Research; Note: Studded include diamonds, coloured gems, gemstones, & others including platinum jewellery, fashion jewellery, silver jewellery, etc.

3.6 Domestic Gold Demand from Various Segments

Chart 17: Trend in Domestic Gold Demand- in Volume Terms



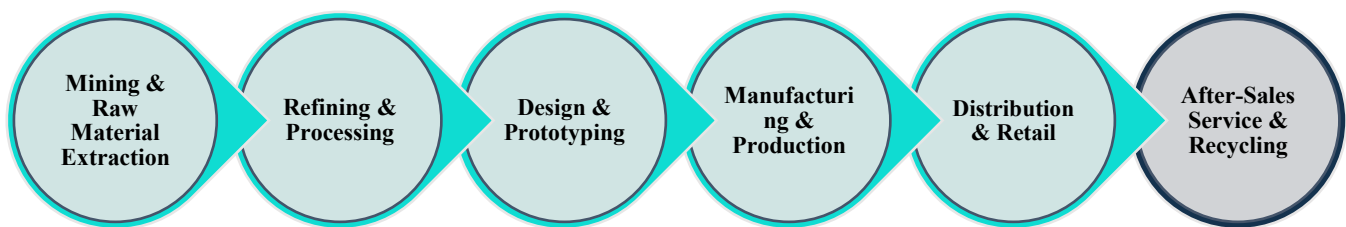
Source: WGC, CareEdge Research

In CY24, the total domestic demand for gold (including jewellery, bars, and coins) was estimated at 803 tonnes as compared to 761 tonnes in CY23. In CY24, the gold demand was 803 tonnes, an increase of 5.5% y-o-y over CY23.

The jewellery segment continued to be the largest contributor and accounted for ~70% of the gold demand in India, while bars and coins accounted for the balance. The gold jewellery demand declined by 2.2% y-o-y in CY24. The demand was impacted due to increasing gold prices.

3.7 Value Chain of Gems and Jewellery

Chart 18: Gems and Jewellery Value Chain



Source: IMARC Group, CareEdge Research

• Mining and Raw Material Extraction

This phase starts with the extraction of precious metals and gemstones from mines worldwide. Key gold-producing countries include China, South Africa, the United States, Australia, Russia, and Peru. The process involves obtaining raw materials such as gold, silver, platinum, and gemstones from these mines. The cost of extraction is influenced by the location and availability of resources, as well as the methods used, which vary depending on factors like depth, accessibility, and mineral content.

Additionally, environmental concerns and labour conditions are significant factors, with the jewellery industry placing greater emphasis on ethical sourcing practices.

- **Refining and Processing**

Once extracted, raw materials are refined to eliminate impurities and achieve the required purity for use in jewellery. Refining metals involves specialised facilities and techniques to ensure consistent quality. For gemstones, the processing includes cutting, shaping, and polishing to enhance their colour, clarity, and brilliance. This step improves the visual appeal and market value of the stones. The refining process is crucial, as high-quality, well-processed materials result in durable and aesthetically pleasing jewellery pieces.

- **Design and Prototyping**

Jewellery design blends creativity with technical skill. Designers either sketch their ideas or use computer-aided design (CAD) software to visualise each piece. The designs must balance both aesthetic appeal and practicality, ensuring the jewellery is comfortable to wear and durable. Prototyping, often done with a model or sample, lets designers evaluate their ideas and adjust before full production begins. This stage is crucial for producing pieces that reflect current trends and meet customer preferences.

- **Manufacturing and Production**

At this stage, jewellery is produced on a larger scale. Skilled artisans or machinery work with the finalised designs to shape metals, set gemstones, and assemble each piece. Depending on the complexity and desired quality, both traditional techniques (such as handcrafting) and modern methods (like 3D printing) may be employed. Quality control is essential to ensure that every piece meets the brand's standards. In luxury jewellery, artisanry is especially prized, as fine detailing can increase the item's value.

- **Distribution and Retail**

In the jewellery value chain, distribution and retail are crucial stages that connect production to final sales. After production, jewellery is distributed through wholesalers who buy in bulk from manufacturers and supply retailers. This phase involves secure logistics to manage high-value items, which affects inventory management and customer satisfaction by ensuring retailers have sufficient stock. Retailers, whether through physical stores or online platforms, then sell the jewellery directly to consumers. They use marketing strategies that emphasise the product's appeal and brand values, such as luxury or sustainability. Personalised services like custom fittings, engraving, and resizing further enhance customer satisfaction and promote brand loyalty, as customers often associate the quality of service with the jewellery's overall value.

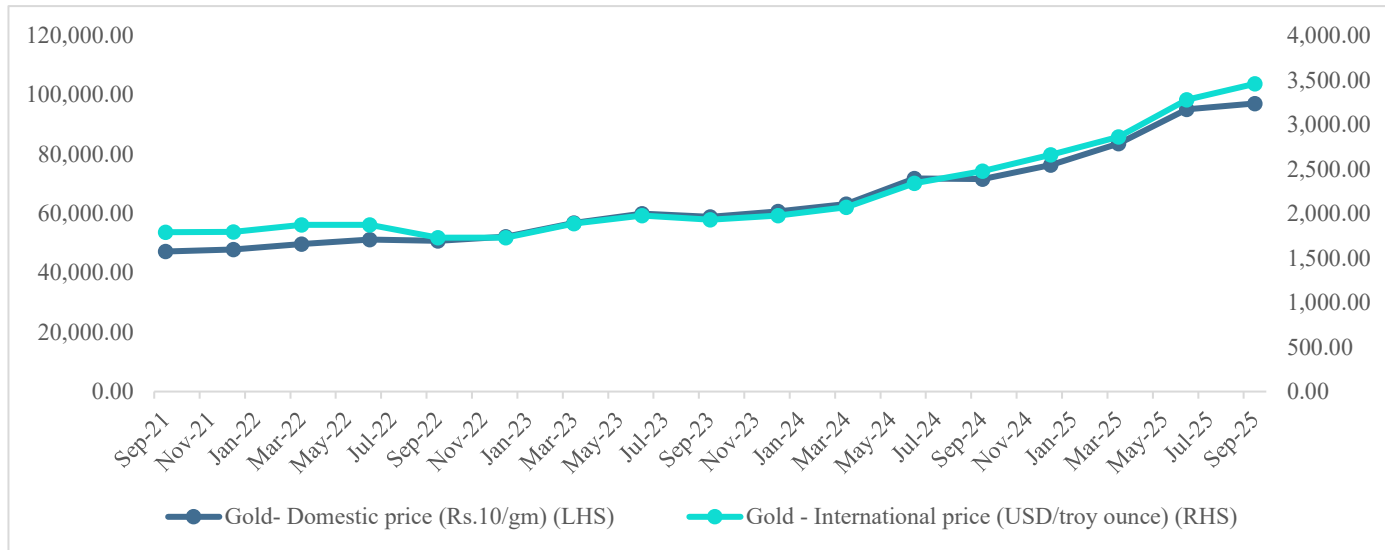
- **After-sales Service and Recycling**

High-quality after-sales services, such as cleaning, repairs, and maintenance, play a vital role in extending the life of jewellery while fostering customer trust and loyalty. These services address post-purchase issues like resizing or replacing stones, further enhancing customer satisfaction. Recycling has also gained significance in the jewellery industry, with many brands offering buy-back or recycling programs. These initiatives allow companies to refurbish old pieces and reuse valuable metals and gemstones, promoting environmental sustainability and resource efficiency.

3.8 Impact of Interest Rates, Geopolitical Tensions on Gold Prices

Gold jewellery accounts for a major share of overall jewellery consumption in India. However, the demand for gold, particularly physical gold in the form of coins and bars, which is primarily for investment, is dependent on movements in gold prices.

Chart 19: Trend in Domestic and International Gold Prices



Source: CMIE; CareEdge Research

In CY24, international gold prices exhibited a strong upward trajectory, starting at USD 2,034 per troy ounce in January and peaking at USD 2,690 in October. The domestic gold prices mirrored this trend, climbing from Rs 62,387 per 10 grams in January to Rs 76,686 by October. This surge was primarily fuelled by a weakening US dollar, heightened geopolitical tensions, and expectations of monetary policy easing by the US Federal Reserve, which had already implemented rate cuts totalling 50 basis points.

Additionally, investors sought safety in gold amid global uncertainties, including political and continued instability in the Middle East. However, gold prices saw a slight decline in November and December CY24, driven by strong US labour market data and the People's Bank of China's reported pause in gold purchases.

Entering CY25, gold prices regained upward momentum, reaching new record highs. International prices climbed to **USD 3,456.5 per troy ounce in Q3CY25**, while domestic gold prices surged to **Rs 1,02,282 per 10 grams** during the same period. This continued rally was supported by expectations of further rate cuts, persistent geopolitical risks, and sustained demand from central banks and investors amid global economic uncertainty.

3.9 Seasonality in Gold Buying

Gold buying in India exhibits a distinct seasonal pattern, closely aligned with the festive and wedding calendar. The months of October to March typically witness heightened demand due to major festivals and the peak marriage season, while the April to August period generally records subdued activity, except for a brief uptick during Akshaya Tritiya, which is traditionally considered an auspicious day for gold purchases. This cyclical demand pattern is reflected in the quarterly distribution of gold consumption over the past decade, as shown in the table below.

Table 5: The Seasonal Peak for Gold Jewellery Demand in India

Quarterly Demand	CY15	CY16	CY17	CY18	CY19	CY20	CY21	CY22	CY23	CY24
Q4 Demand	28%	37%	31%	31%	28%	42%	43%	36%	35%	33%
Q3 Demand	32%	29%	22%	24%	18%	21%	21%	25%	28%	31%
Q2 Demand	19%	18%	26%	25%	31%	14%	15%	22%	21%	19%
Q1 Demand	22%	16%	21%	20%	23%	23%	21%	17%	17%	17%

Source: WGC, CareEdge Research

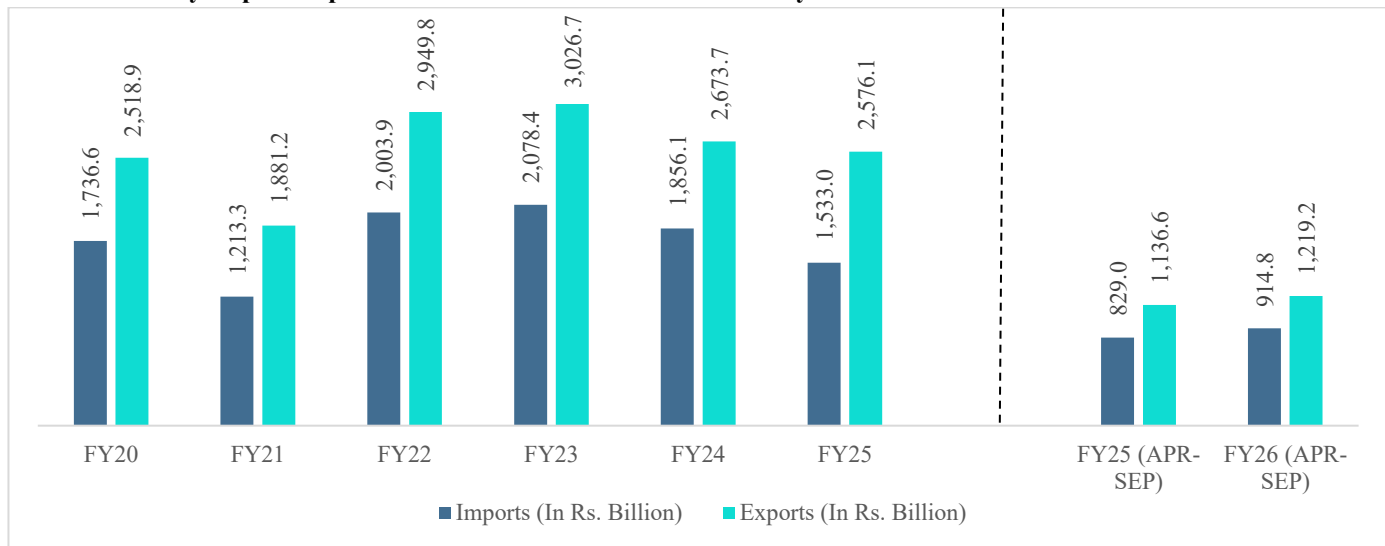
The data indicates that gold demand in India is typically concentrated in the second half of the calendar year, particularly in the third and fourth quarters, which together account for approximately 60–70% of annual demand in most years. This reflects the clustering of major festivals such as Dussehra and Diwali, as well as the primary wedding season during these months. Consequently, jewellery retailers generally align their procurement, marketing, and promotional activities around these peak periods to optimise inventory utilisation and revenue realisation.

3.10 Trends in Imports and Exports of Gems and Jewellery in India

3.10.1 Overview

In FY25, Gems & Jewellery exports stood at Rs. 2,576.1 billion, marking a decline of 3.7% compared to FY24, primarily due to subdued demand in major markets such as the US and China, correction in diamond prices, and rising competition from lab-grown diamonds. On the import side, overall gross inflows fell by 17.4% to Rs. 1,533 billion from Rs. 1,856.1 billion in the previous year, as weaker export orders curtailed the requirement for rough diamonds and precious metals, while price volatility and cautious trade sentiment further dampened import activity.

Chart 20: Yearly Import Export Trends - Overall Gems and Jewellery



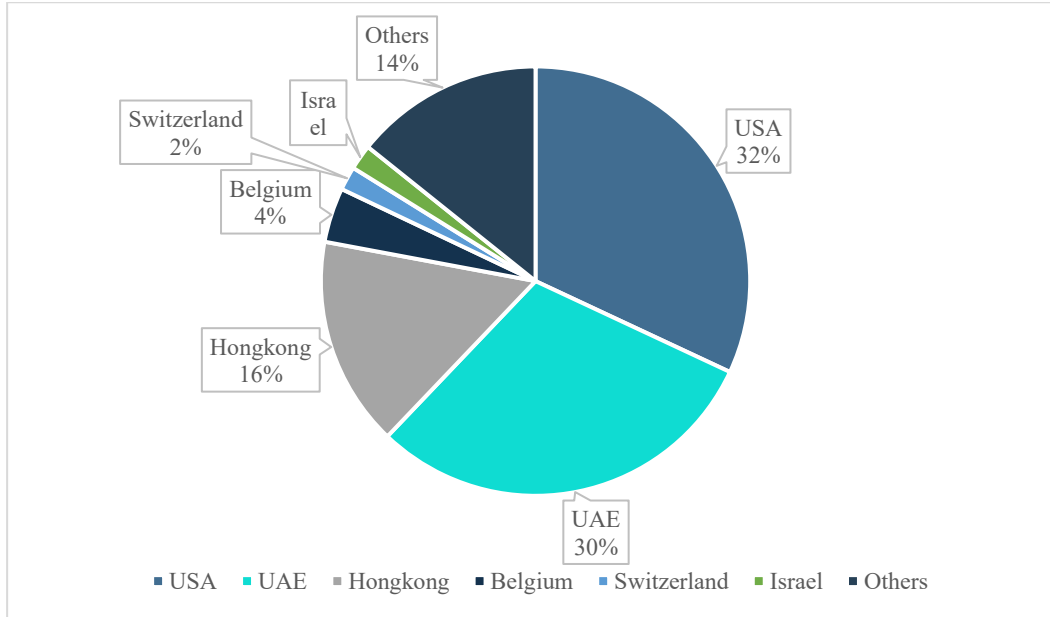
Source: Gems & Jewellery Export Promotion Council (GJEPC)

Growing Government Focus on Export Promotion

The Government of India, along with all the stakeholders of the G&J sector, are well committed to aggressively promoting exports, identifying challenges and addressing them with necessary interventions, assisting exporters, especially SME units and exploring new markets while consolidating existing ones. With strong growth prospects, the government of India has also declared the G&J sector as one of the focus areas for export promotion.

With such continuous government support, the superior quality of Indian manufacturers has enabled the Indian gems & jewellery trade market to penetrate markets like the USA, UAE, Hong Kong, Israel, Switzerland and Belgium. The USA market is the largest destination for Indian gems and jewellery exports, accounting for a 32% share of India’s exports in FY25.

Chart 21: Country-wise Export Share in FY25 - Overall Indian Gems and Jewellery

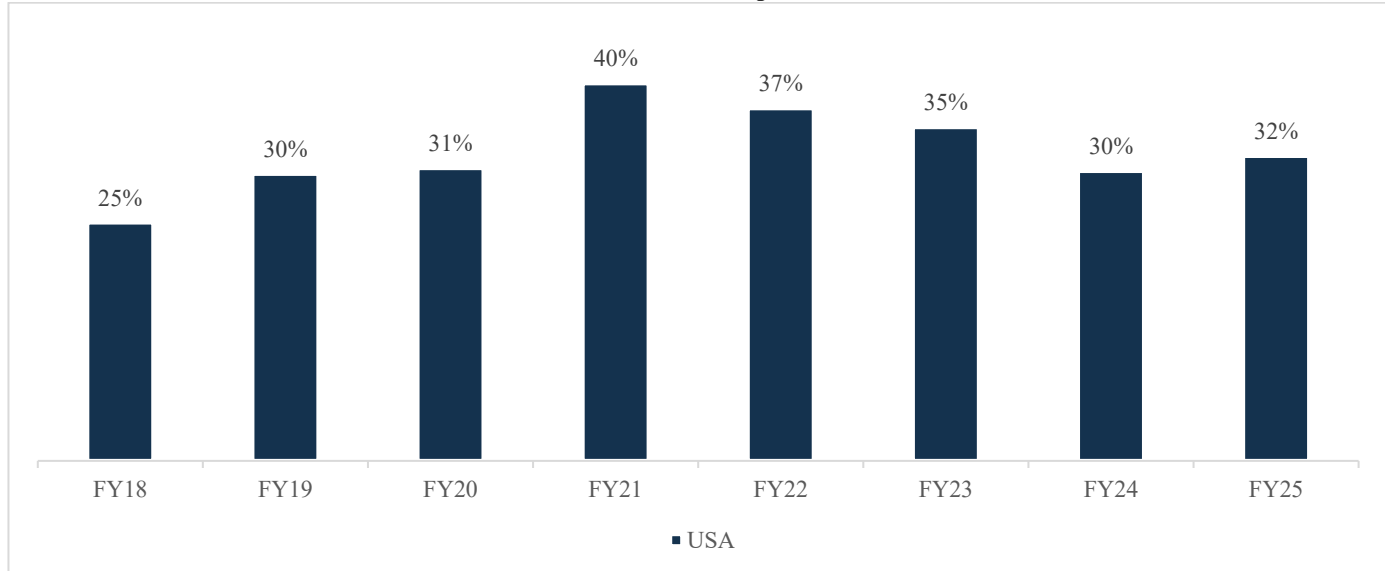


Source: Gems & Jewellery Export Promotion Council (GJEPC)

In August 2025, the United States’ imposition of a 50% blanket tariff on Indian exports comprising a 25% reciprocal duty and an additional 25% penalty linked to India’s continued oil trade with Russia—is expected to significantly disrupt India’s Gems and Jewellery (G&J) export segment. With the US accounting for over 32% of India’s G&J exports in FY25, the move is likely to cause a sharp contraction in demand, especially for diamonds, gold, silver, and coloured stone jewellery.

Exporters likely to reduce dependence on the U.S. by expanding into other key markets and promoting products like lightweight jewellery. The government is already in advanced discussions with the U.S. to resolve the tariff issue and explore possible relaxations. Meanwhile, stronger global branding and active participation in international trade fairs can help revive demand and strengthen India’s position in global markets.

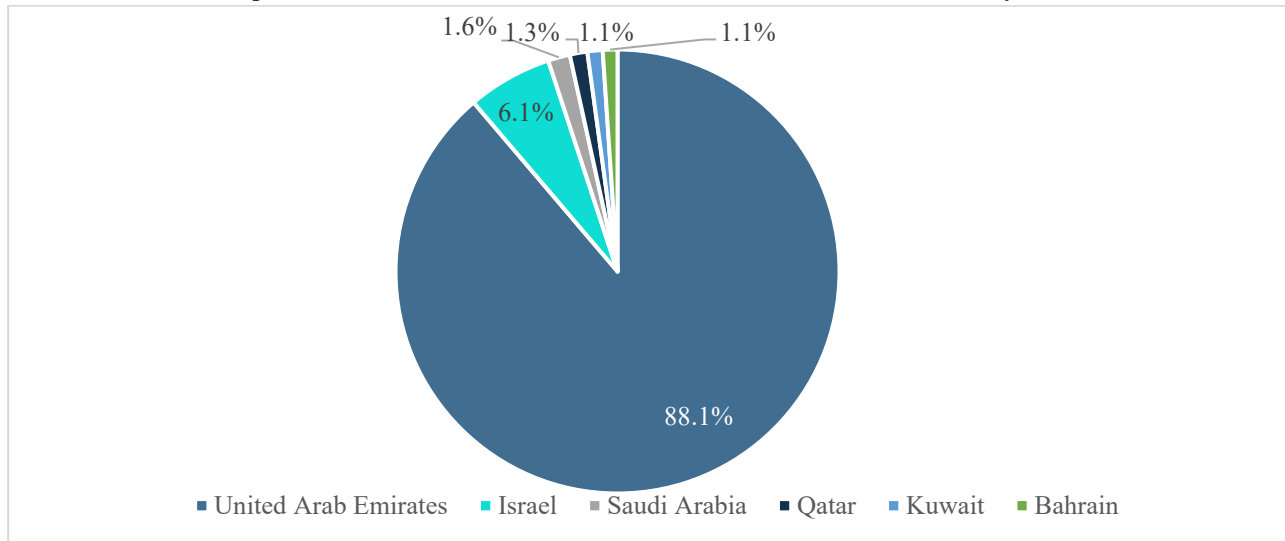
Chart 22: Trend in the Share of the US Market in Indian G&J Exports



Source: Gems & Jewellery Export Promotion Council (GJEPC), CMIE

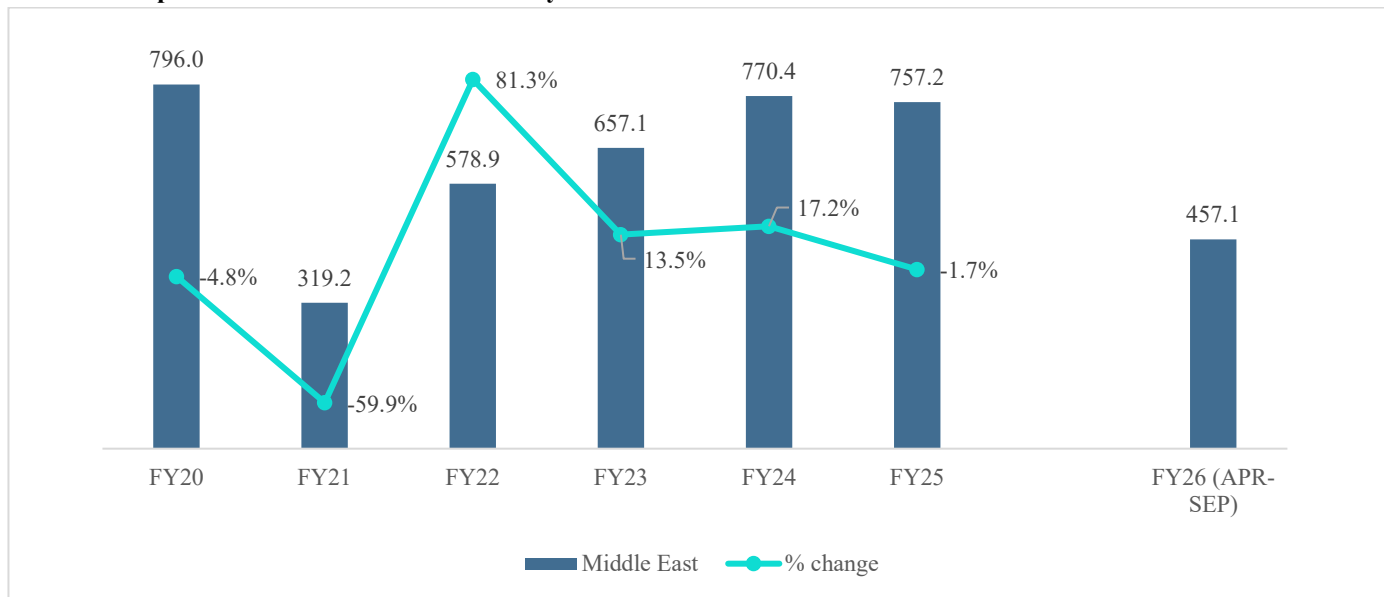
Focus on Middle East Countries

Chart 23: Share of Exports of Middle East Countries-Overall Indian Gems and Jewellery in FY25



Source: Gems & Jewellery Export Promotion Council (GJEPC)

Chart 24: Export Trend for Gems and Jewellery to the Middle East



Source: Gems & Jewellery Export Promotion Council (GJEPC); FY26* -

Note: The Middle East countries include the United Arab Emirates (UAE), Saudi Arabia, Qatar, Kuwait, Bahrain, Oman and Jordan

The CAGR for India’s gems and jewellery exports to the Middle East stood at **-1.0%** during **FY20–FY25**. Exports to the region had surged by **81.3% in FY22**, primarily due to recovery from the pandemic-induced slowdown in FY21. Although the **India–UAE Comprehensive Economic Partnership Agreement (CEPA)** came into effect in 2022 and provided benefits such as preferential tariffs and streamlined customs procedures, its impact appears limited so far, as the export value in **FY25 (Rs 757.2 billion)** remains only marginally below the **pre-pandemic level of FY20 (Rs 796 billion)**.

3.10.2 Product-Segment Wise Import and Export Trend

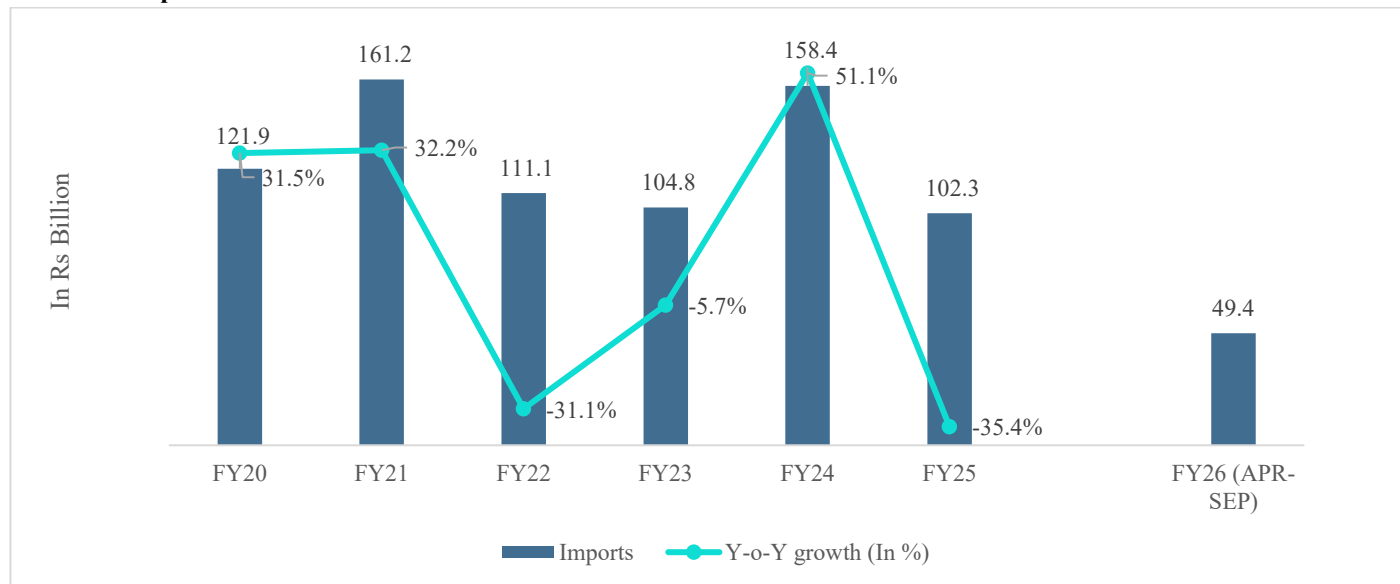
India’s gems and jewellery (G&J) exports comprise a diverse range of products, including cut and polished diamonds, gold jewellery and medallions, rough diamonds, gemstones, pearls, synthetic stones, and fashion jewellery. Among these, **cut and polished**

diamonds contributed around 47% of total exports in FY25, followed by gold jewellery (plain and studded) at 39%. The remaining 14% was made up of coloured gemstones, gold medallions, and coins.

Cut and Polished Diamonds:

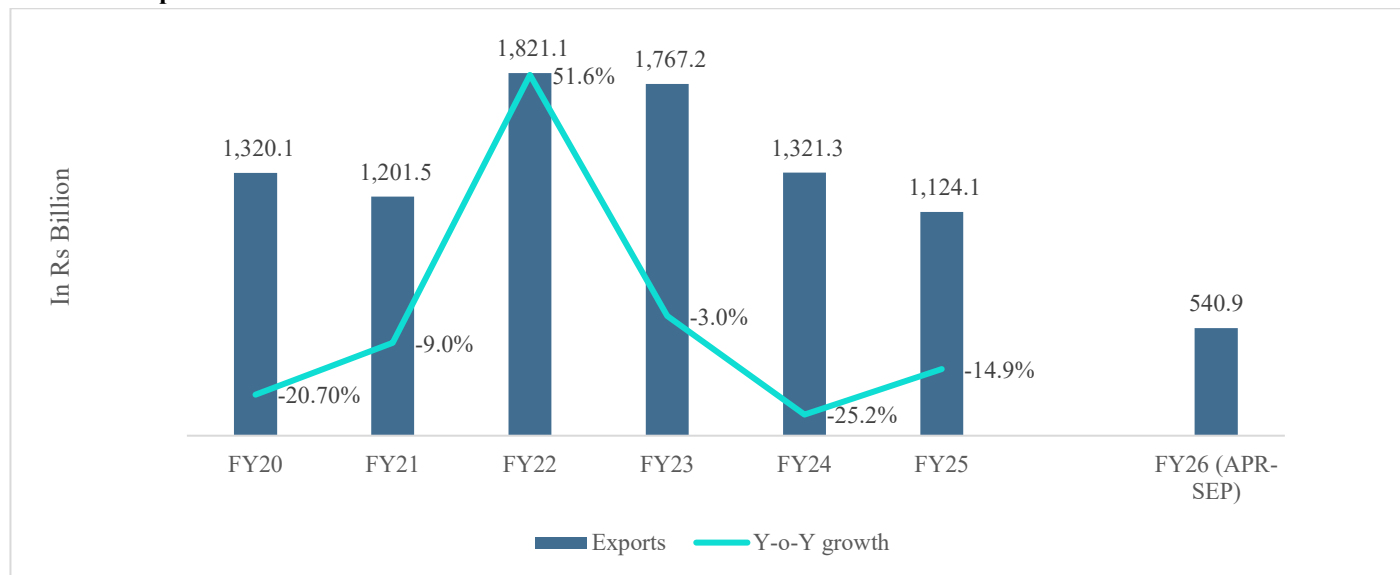
India is the world's largest diamond-cutting and polishing centre. The country is regarded as the world jewellery market's hub due to its low costs and steady availability of high-skilled labour.

Chart 25: Import Trend for Cut & Polished Diamonds



Source: Gems & Jewellery Export Promotion Council (GJEPC), CareEdge Research

Chart 26: Export Trend for Cut & Polished Diamonds



Source: Gems & Jewellery Export Promotion Council (GJEPC), CareEdge Research

The cut & polished diamond segment is an export-oriented segment in India. During FY25, the cut & polished segment contributed 47% of the overall exports in the gems & jewellery segment, and the overall exports of cut & polished diamonds stood at Rs. 1,124.1 billion in FY25, showing a 14.9% decline as compared to Rs. 1,321.3 billion in FY24. Moreover, during FY26 (APR-SEP), the overall exports of cut & polished diamonds stood at Rs. 540.9 billion.

Also, imports during FY25 witnessed a decline of 35.5% to Rs. 102.3 billion as compared to Rs. 158.4 billion in the previous year. In terms of volume, the exports of cut & polished diamonds stood at 166.5 lakhs carat in FY25, showing a 12% decline compared to FY24. The decline in exports was on account of rising inflation in global economies, cannibalisation due to lab-grown diamonds and weak demand from China and Western countries.

The USA is a key market for India in cut and polished diamond exports, whereas Hong Kong is the second-largest export market, followed by the UAE. The Indian gems and jewellery sector is exploring Cambodia, Vietnam, and the European Eastern Bloc – three relatively untouched markets with great export potential.

To boost the confidence of the cut and polished diamonds segment, the government announced a reduction in import duty on cut & polished diamonds in the previous budget 2022–2023 to 5% from 7.5%, which is expected to further help in strengthening the sector and retain its leadership position. Furthermore, in the Budget 2024–25, the finance minister announced safe harbour rates for foreign mining companies selling raw diamonds in the country. A safe harbour rate will help promote the diamond industry. Safe harbour rates refer to predetermined and fixed tax rates that provide a level of certainty and stability to a business. The tax compliance will become simpler and more suitable for attractive investments. With this, the small producers will be able to access rough diamonds directly from miners in India without having to travel abroad to participate in diamond auctions, this decision is likely to benefit the overall industry.

Rough Diamonds:

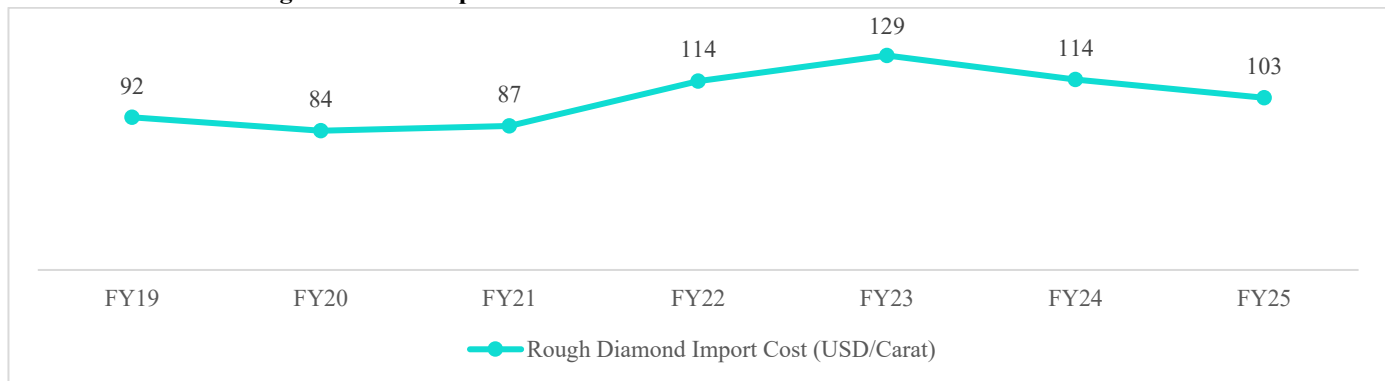
India remains one of the world’s largest importers of rough diamonds, supported by its strong diamond cutting and polishing industry. In FY25, imports of rough diamonds declined by 22.6% year-on-year to Rs 913 billion, compared with Rs 1,180.3 billion in FY24, accounting for about 55% of total gems and jewellery imports. The drop was partly due to a two-month import ban imposed by the GJEPC from October to December 2023 to balance supply and demand amid weak demand from key markets such as the US and China. Moreover, while polished diamond prices softened, rough diamond prices remained relatively stable, further dampening import demand. The ban was lifted in December 2023, following which prices began to stabilise.

Table 6: Import Trend of Rough Diamonds (Rs. In Billion)

Rough Diamonds	Imports	Y-o-Y Growth	% Share in Total G&J Imports
FY20	921.6	-15.9%	53%
FY21	802.4	-12.9%	66%
FY22	1,411.7	75.9%	71%
FY23	1,118.4	-20.9%	65%
FY24	1,180.3	5.5%	64%
FY25	913.0	-22.6%	55%
FY26 (APR-SEP)	523.6		57%

Source: Gems & Jewellery Export Promotion Council (GJEPC), CareEdge Research

Chart 27: Trend in Rough Diamond Import Prices

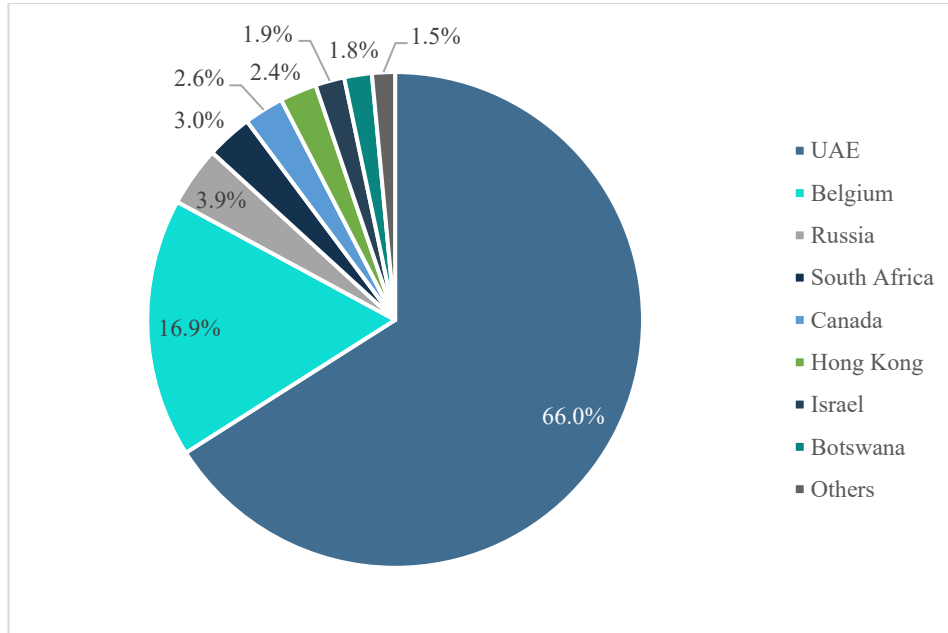


Source: Gems & Jewellery Export Promotion Council (GJEPC), CareEdge Research

Rough diamond prices have increased over the past two to three years as the ongoing Russia-Ukraine war has resulted in a decline of supply of rough diamonds. The supply from Russian miner Alrosa, one of the leading suppliers of small-sized diamonds, has been impacted significantly, leading to the increasing rough diamond prices. However, the prices have corrected slightly in FY24 and continued correcting in FY25 as well, on account of weak global demand.

The United Arab Emirates (66%) had the highest share in rough diamond imports to India in FY25, followed by Belgium (16.9%), Russia (3.9%), South Africa (3%), Canada (2.6%), Hong Kong (2.4%), Israel (1.9%), Botswana (1.8%) and others (1.5%).

Chart 28: Country-Wise Share in Imports of Rough Diamond in FY25



Source: Gems & Jewellery Export Promotion Council (GJEPC)

Gold Jewellery:

The gold jewellery market holds the second-largest share in G&J exports after the cut and polished diamonds segment. Gold jewellery accounted for 39.7% of the total exports of G&J in FY25.

Table 7: Exports of Gold Jewellery (In Rs Billion)

Year	Exports	Y-o-Y growth
FY20	852.3	2.4%
FY21	371.1	-56.5%
FY22	687.8	85.3%
FY23	765.9	11.4%
FY24	930.9	21.5%
FY25	962.4	3.4%
FY26 (APR-SEP)	500.9	

Note: *compared with the pre-pandemic year FY20

Source: Gems & Jewellery Export Promotion Council (GJEPC), CareEdge Research

In FY25, gold jewellery exports registered a modest growth of 3.4% y-o-y. The increase was primarily driven by steady demand from key markets such as the United States, Hong Kong, and the Middle East, along with the rising global appeal of lightweight and plain gold jewellery. Additionally, growing participation of organised players in international trade fairs and greater product diversification have supported export performance during the year.

Dubai continues to be a major destination for Indian gold jewellery, with the ‘Dubai Gold Souk’—a traditional hub where jewellery from Kolkata and Mumbai enjoys strong popularity—accounting for a significant portion of gold sales. Major export centres include Mumbai, Chennai, and Kolkata, while several exporters continue to outsource manufacturing to Gujarat-based units.

Imports of Raw Gold:

After China, India is the world's second-largest gold consumer. India imports unwrought gold in the form of bars, gold plated with platinum or in semi-manufactured forms, and gold powder. Imports are mostly used to meet the demand of the domestic jewellery business. The demand for gold is expected to register a further increase on account of the festive and marriage seasons.

Table 8: Imports of Raw Gold (Rs. In Billion)

Year	Gold Imports	Y-o-Y Growth (%)	Gold Imports (In Kgs)	Y-o-Y Growth (%)
FY20	1,992.4	-13.2%	7,19,930	-26.7%
FY21	2,542.8	27.6%	6,51,240	-9.5%
FY22	3,440.9	35.3%	8,79,010	35.0%
FY23	2,804.8	-18.5%	6,78,300	-22.8%
FY24	3,772.5	34.5%	7,95,240	17.2%
FY25	4,897.5	29.8%	7,57,037	-4.8%
Q2FY25	696.3	-12.7%	1,16,237	-31.4%
Q2FY26	640.2	-8.1%	N/A	N/A

Source: CMIE, CareEdge Research

The import duty on gold and silver findings and coins of precious metals had increased to 15% from 10% from January 2024. This includes Basic Custom Duty (BCD) of 10% and 5% of AIDC (Agriculture Infrastructure Development Cess). Findings are items like hooks, clips, pins, screws, etc., which are components of jewellery making.

From June 2024, the Directorate General of Foreign Trade (DGFT) has brought gold jewellery studded with pearls, diamonds, and precious & semi-precious stones in the ‘restricted’ category from ‘free’ with immediate effect, which means their import will require a government permit. These restrictions have been imposed as the imports from Indonesia under the India-ASEAN free trade agreement had surged, and some articles of gold were coming duty-free and being melted in India to make jewellery. UAE is, however, exempted from these restrictions as per the India-UAE CEPA. However, in July 2024, the Finance Minister of India announced that the Customs Duty on precious metals like gold and silver will be reduced from 15% to 6% and for platinum, it will be reduced from 15.4% to 6.4%.

Domestic gold imports reached Rs. 4,897.5 billion in FY25 as compared to Rs. 3,772.5 billion in FY24 and reached Rs. 640.2 billion in Q2FY26 as compared to Rs. 696.3 billion in Q2FY25. During FY25, the imports of gold in India saw a rise of 29.8% y-o-y in value terms, however a decline of 4.8% y-o-y was seen in volume terms.

4 Retail Gold Jewellery Market in India

4.1 Overview

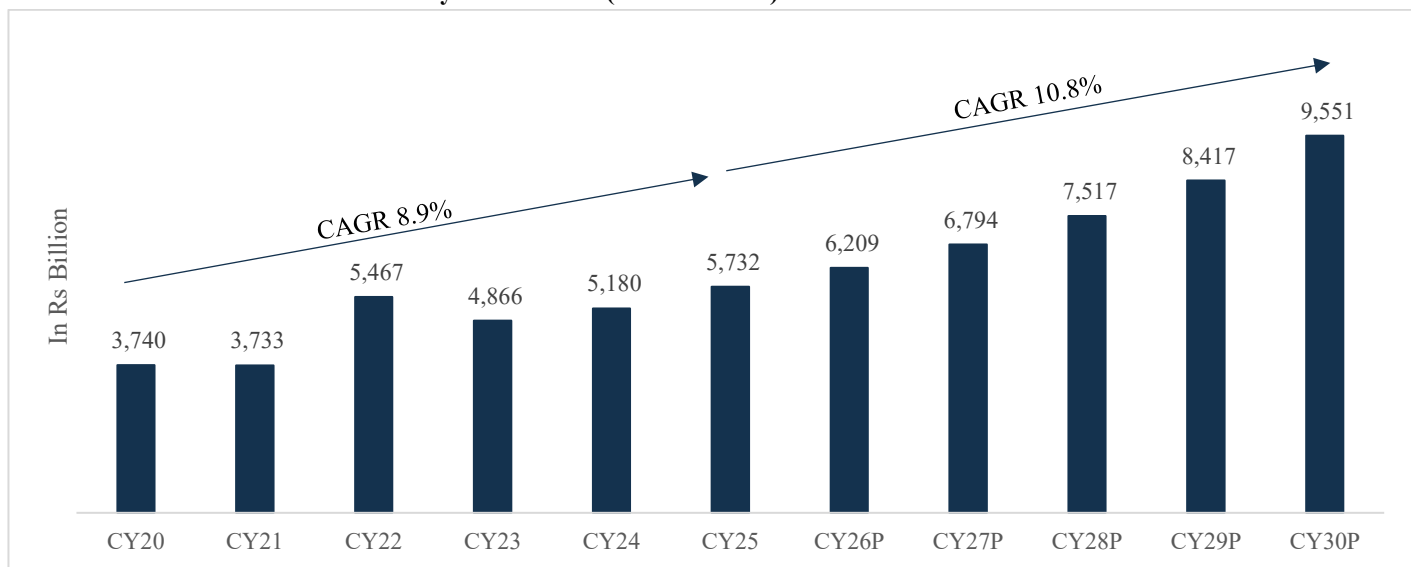
India’s retail gold jewellery market is one of the largest in the world, deeply driven by cultural traditions, weddings, festivals, and the long-standing view of gold as both ornament and investment. The overall gems & jewellery sector contributes around 7% to India’s GDP, and gold forms a major share of this demand. While the market remains highly fragmented with thousands of regional and local jewellers, organised retail has been growing rapidly as consumers shift towards branded, hallmarked, and trusted players. This is supported by strong expansion by large chains across Tier II and Tier III cities.

In recent years, gold prices have remained elevated, which has softened volume growth, but overall revenue has continued to rise due to higher realisations. Organised players are expected to benefit more, as they gain market share through wider store networks, franchise-led expansion, and improved customer trust. At the same time, the sector faces challenges such as gold price volatility, regulatory changes, and financing costs due to high inventories.

Formalisation, premiumisation, omni-channel retailing, and increasing disposable income in smaller cities will continue to shape the market. As consumer behaviour evolves towards transparency, branded experiences, and lighter-weight designs, organised jewellers are positioned to lead growth, while traditional jewellers adapt to the changing landscape.

4.2 Indian Retail Gold Jewellery Market Size

Chart 29: Indian Retail Gold Jewellery Market Size (CY20-CY29P)



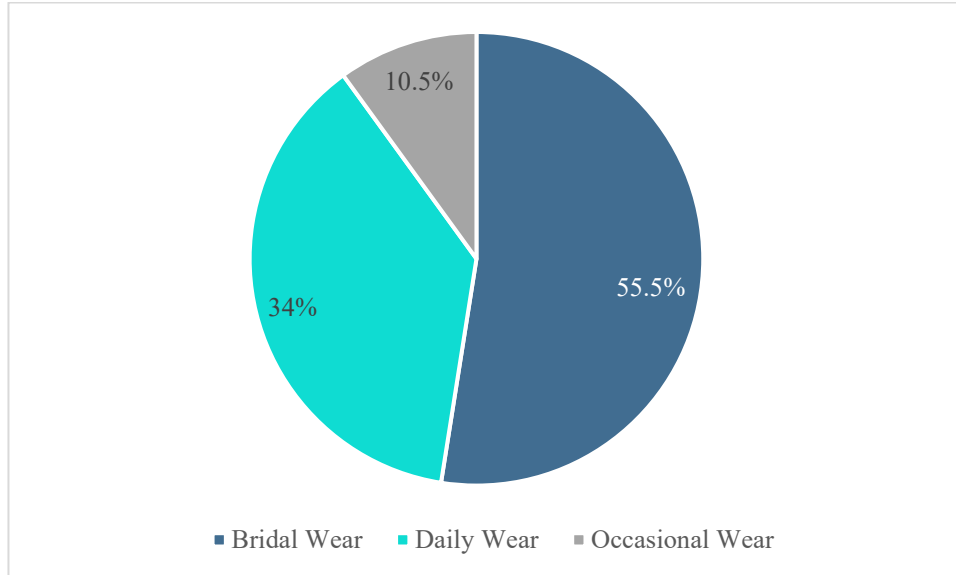
Source: IMARC Group, CareEdge Research

India’s gold jewellery retail market has shown steady value growth over the past few years, rising from **Rs 3,740 billion in CY20 to Rs 5,732 billion in CY25**, reflecting a **CAGR of 8.9%** despite pandemic-related disruptions and price volatility. The outlook remains strong, with the market expected to grow further to **Rs 9,551 billion by CY30**, driven by rising disposable income, formalisation of the sector, and continued preference for branded and hallmarked jewellery. The projected **10.68 CAGR between CY25 and CY30** highlights the structural demand for gold in India, supported by both cultural significance and investment-driven buying.

4.3 Indian Retail Gold Jewellery Market Breakup by Wearing

The Indian retail gold jewellery market is segmented based on the type of wear, which includes bridal wear, occasional wear, and daily wear.

Chart 30: Indian Retail Gold Jewellery Market Share by Wearing (CY25)



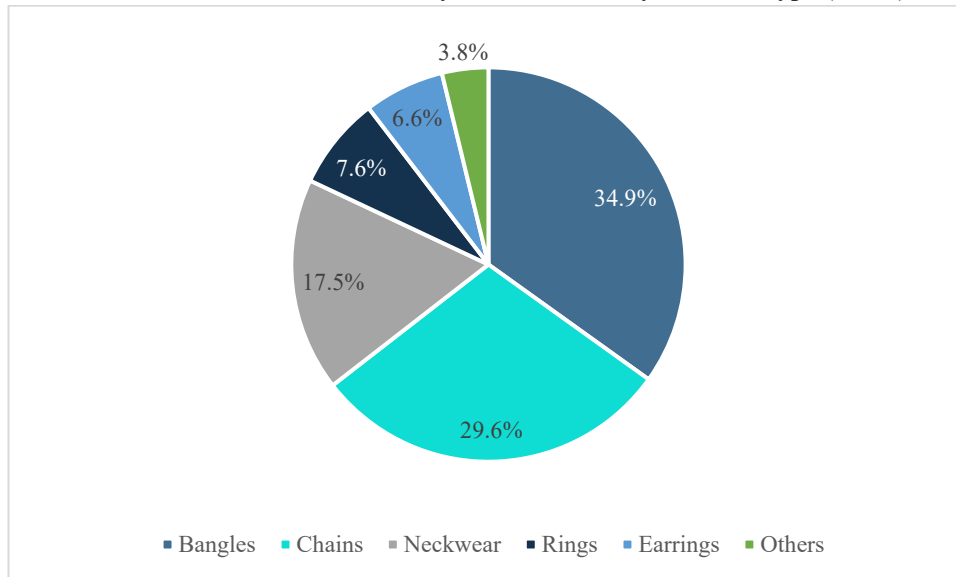
Source: IMARC Group, CareEdge Research

Segment	Description	Key Demand Drivers / Trends	Regional Highlights
Bridal Wear	Heavy, ornate designs using gold, diamonds, Kundan, and Polki; deeply tied to cultural and wedding traditions. Accounts for 23–25% of wedding expenditure.	Increase in destination weddings, preference for heritage designs; remains the largest segment in wholesale jewellery.	Strongest in North & South India during wedding seasons.
Occasional Wear	Jewellery for festivals, family functions, and special events. Includes semi-precious stones, contemporary and versatile designs.	Demand peaks during festive seasons (e.g., Diwali). Younger consumers prefer lightweight and affordable designs.	Driven by metros such as Mumbai, Delhi, and Bangalore.
Daily Wear	Minimalistic, lightweight, durable jewellery for everyday use (chains, rings, earrings). Growing with urbanisation and working professionals.	Rising demand among working professionals for affordable yet stylish pieces; steady growth in semi-urban and urban areas.	Key markets: Maharashtra (Mumbai), Gujarat, and West Bengal (Kolkata).

4.4 Indian Retail Gold Jewellery Market Breakup by Product Type

The Indian retail gold jewellery market is segmented based on the product type, which includes Bangles, Chains, Neckwear, Rings, Earrings, and Others.

Chart 31: Indian Retail Gold Jewellery Market Share by Product Type (CY25)

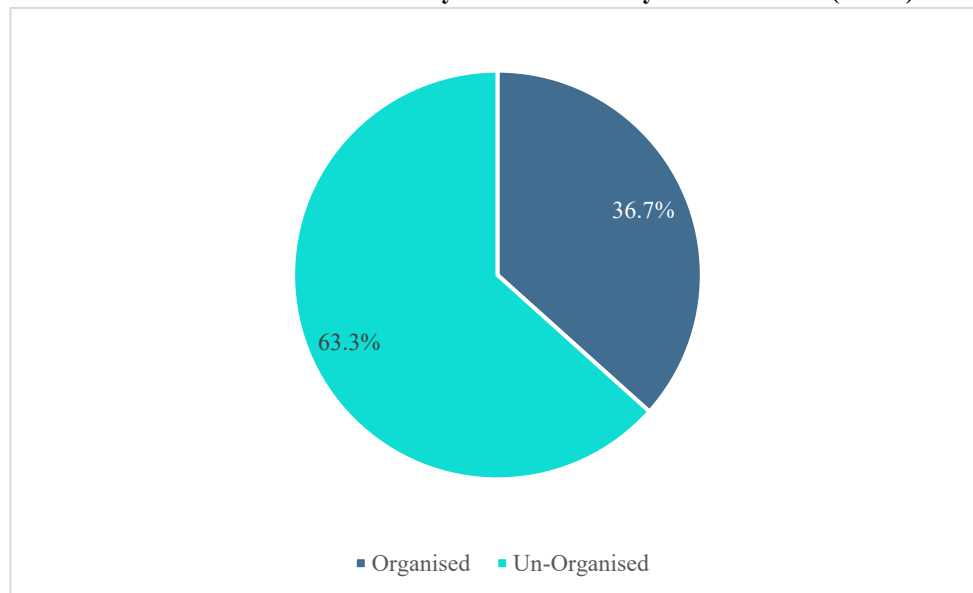


Source: IMARC Group, CareEdge Research

Segment	Description	Key Demand Drivers / Trends	Regional Highlights
Neck Wear	Includes necklaces, chokers, pendants; ranges from heavy bridal designs to lightweight everyday wear.	Peak demand during weddings & festivals; rising trend of customizable designs blending traditional motifs with modern styles.	Strong presence in South India with Kundan and Temple jewellery.
Rings	Covers bridal rings, diamond solitaires, simple gold bands, and everyday wear. Popular for engagements and gifting.	Engagement & solitaire rings are key drivers; growing demand for innovative styles like stackable and multi-finger rings.	Nationwide demand, especially among younger consumers.
Earrings	Includes studs, hoops, jhumkas, chandbalis; caters to both daily wear and weddings.	Lightweight, versatile, and gifting-oriented designs are trending; consistent year-round sales.	Strong demand in Maharashtra and Gujarat for both traditional and modern designs.
Chains	Gold chains in plain, beaded, rope, and other styles; popular as everyday wear.	Favoured by men and working professionals; also common gifting item during festivals.	Expanding demand in urban and semi-urban areas.
Bangles/Bracelets	Largest segment; ranges from ornate bridal bangles to sleek modern bracelets.	Demand peaks during weddings & festivals; fusion of traditional and modern styles driving innovation.	South India strong for gold bangles; diamond bracelets growing among urban youth.

4.5 Indian Retail Gold Jewellery Market Breakup by Manufacturer

Chart 32: Indian Retail Gold Jewellery Market Share by Manufacturer (CY25)



Source: IMARC Group, CareEdge Research

The retail gold jewellery market in India continues to remain largely fragmented, with the **unorganised segment accounting for 63.3% of the market in CY25**. However, like the wholesale side, the sector is witnessing steady formalisation driven by stronger regulatory oversight, increased adoption of hallmarking, and rising consumer demand for purity assurance and transparent billing. Organised retailers, holding **36.7% share in CY25**, are expected to steadily gain ground as large chains expand aggressively into Tier II and Tier III cities through a mix of company-owned and franchise models.

The shift towards organised retail is further supported by evolving consumer behaviour, buyers increasingly prefer branded stores for assured purity, modern designs, buyback policies, and a consistent shopping experience. Organised players are also leveraging technology, omni-channel touchpoints, and loyalty programs to deepen customer engagement. In contrast, unorganised jewellers continue to face challenges around compliance, working capital pressure due to high gold prices, and rising competition from national and regional chains. As a result, the retail market is expected to gradually formalise over the coming years, with organised players capturing a larger share of incremental growth.

4.6 SWOT Analysis of Organised Retail Jewellers in India



Source: CareEdge Research

4.7 Outlook of the Gold Jewellery Retail Market in India

The Indian gold jewellery retail market is poised for steady growth, driven by robust demand across various segments. Bridal jewellery remains a significant contributor, bolstered by cultural traditions and the rising trend of lavish weddings. Additionally, increasing urbanisation and rising disposable incomes are fuelling demand for occasional and daily wear gold jewellery. The market is also witnessing a shift towards lightweight and contemporary designs, catering to younger consumers seeking both style and affordability.

However, challenges, such as fluctuating gold prices and stringent government regulations on gold imports, may impact market dynamics. Despite these challenges, the long-term outlook remains positive, with innovations in design and growing consumer preference for certified and branded gold jewellery expected to drive growth.

Recent Trends in the Jewellery Market in India

- **Rise of Minimalistic Designs:** Minimalistic jewellery designs are gaining popularity, especially among younger consumers. These designs emphasise simplicity and elegance, often featuring lightweight gold and diamond pieces. The trend is driven by changing fashion preferences and the desire for jewellery that complements everyday wear.
- **Digital and Omni-channel Strategies:** The jewellery market is increasingly integrating digital strategies, with retailers adopting omni-channel approaches to enhance customer experience. Online platforms are not just for sales but also for virtual try-ons, consultations, and customisations. The adoption of AI and AR tools in the online space has further enhanced consumer engagement.
- **Expansion of the Wholesale Gold Jewellery Market:** The wholesale gold jewellery market is experiencing a shift towards organised trade. Wholesalers are adopting technology to streamline operations, improve inventory management, and enhance transparency. There is also a growing trend of direct sourcing from mines and refineries, reducing dependency on intermediaries.
- **Increased Demand for Pre-Owned and Vintage Jewellery:** Pre-Owned and vintage jewellery is becoming increasingly popular, driven by a growing interest in sustainable fashion and unique, heritage pieces. Retailers and wholesalers alike are tapping into this trend by offering refurbished and certified pre-owned jewellery, often at more affordable prices.

- **Influence of Global Design Trends:** Global design trends are influencing Indian jewellery preferences. There is a noticeable increase in demand for jewellery styles inspired by international fashion, such as Italian or Middle Eastern designs. This trend is particularly strong in metro cities, where consumers are more exposed to global fashion trends.
- **Focus on Customization in Wholesale Gold Jewellery:** In the wholesale gold jewellery market, there is a rising demand for customization. Wholesalers are increasingly offering bespoke designs to cater to the specific needs of retailers, who in turn provide personalized pieces to end consumers. This trend is helping wholesalers differentiate themselves in a competitive market.
- **Hallmarking and Certification:** With the mandatory hallmarking of gold jewellery introduced in January 2021, there has been an increased focus on certified products in the wholesale market. Wholesalers are now more inclined to deal with hallmarked gold, ensuring quality and authenticity, which has boosted consumer confidence and led to greater demand for certified products.

Outlook on the Organised and Unorganised Segments

• Organised Segment

The organised jewellery segment in India is on a strong growth trajectory. Driven by increased consumer awareness about quality and certification, this segment is rapidly gaining market share. The implementation of government regulations, such as mandatory hallmarking of gold jewellery and the Goods and Services Tax (GST), has provided an additional boost to organised players, who are better equipped to meet these requirements. Major brands like Tanishq, Kalyan Jewellers, and Malabar Gold & Diamonds are expanding aggressively, particularly in tier II and III cities, to tap into the growing demand for branded, certified jewellery.

Furthermore, the adoption of digital platforms, omnichannel retail strategies, and personalised customer experiences is enhancing the appeal of organised players.

• Unorganised Segment

The unorganised segment will continue to dominate the market due to deep-rooted cultural ties, strong customer relationships, and the trust placed in local jewellers. However, increasing competition from organised players, rising consumer preference for branded products, and government regulations aimed at formalising the sector are driving gradual shifts. The implementation of hallmarking standards and GST has begun to erode the cost advantage traditionally enjoyed by unorganised jewellers. Yet, their flexibility in pricing, extensive product variety, and strong presence in rural areas will allow them to retain a significant share. Local jewellers often offer flexible payment options, such as allowing delivery first with payment in instalments, which enhances their appeal.

The segment's future will hinge on its ability to adapt to evolving consumer expectations and regulatory changes while maintaining its traditional strengths.

5 Diamond Studded Gold Retail Market in India

5.1 Overview of Diamond Industry in India

India is a global leader in diamond processing, accounting for approximately 90% of the world's rough diamond cutting and polishing by volume. The country has established a highly integrated value chain centred around the midstream segment, with Surat in Gujarat emerging as the world's largest diamond processing hub. The industry benefits from low labour costs, advanced technology adoption, and a skilled workforce with decades of experience in diamond craftsmanship.

The Indian diamond industry operates across the entire value chain, encompassing the import of rough diamonds, cutting and polishing, grading and certification, and the export of finished stones. Rough diamonds are primarily sourced from international mining hubs such as Russia, Botswana, and Canada and are processed in India for re-export. Mumbai serves as the key trading and export centre, connecting Indian processors with global buyers. In FY25, the cut & polished segment contributed 47% of the overall exports in the gems & jewellery segment and the overall exports of cut & polished diamonds stood at Rs. 1,124.2 billion in FY25.

While exports remain the dominant demand driver, India's domestic diamond consumption is witnessing steady growth, supported by rising disposable incomes, increasing urbanisation, and evolving consumer preferences towards branded and lightweight diamond jewellery. Organised retail players such as Tanishq, Malabar Gold & Diamonds, and Kalyan Jewellers are expanding their product offerings and retail footprint, particularly in Tier I and Tier II cities. Additionally, the increasing acceptance of lab-grown diamonds is reshaping demand dynamics, offering consumers a cost-effective and sustainable alternative to natural stones.

The industry, however, continues to face certain challenges including volatility in rough diamond prices, dependence on imported raw materials, and growing competition from synthetic diamonds. Furthermore, compliance with international traceability and ethical sourcing standards is becoming critical for maintaining export competitiveness. Despite these headwinds, the long-term outlook for the Indian diamond industry remains stable, supported by continued investment in technology, increasing formalisation of operations, and policy support through initiatives such as the India International Bullion Exchange (IIBX) and skill development programmes under the government's 'Skill India' mission.

5.2 Overview of Diamond Studded Gold Market

Diamond-studded gold jewellery is a popular and growing segment in India. It combines the classic appeal of gold with the elegance of diamonds, making it a preferred choice for many consumers. This type of jewellery is especially popular for weddings and special occasions, where diamonds are seen as a symbol of luxury and status. With increasing disposable incomes and changing consumer preferences, demand for diamond-studded gold jewellery is on the rise, particularly in urban areas.

India is now the second-largest consumer of diamond jewellery in the world, accounting for 11% of global consumption. This growth is mainly driven by the increasing number of middle-class consumers and their higher spending power.

The demand for diamond-studded gold jewellery is driven by factors like higher disposable incomes, a growing preference for branded products, and the influence of global fashion trends. Young professionals and millennials are important consumers, often choosing trendy and lightweight designs. Traditional wedding jewellery also incorporates diamond-studded pieces, making it an essential part of Indian culture.

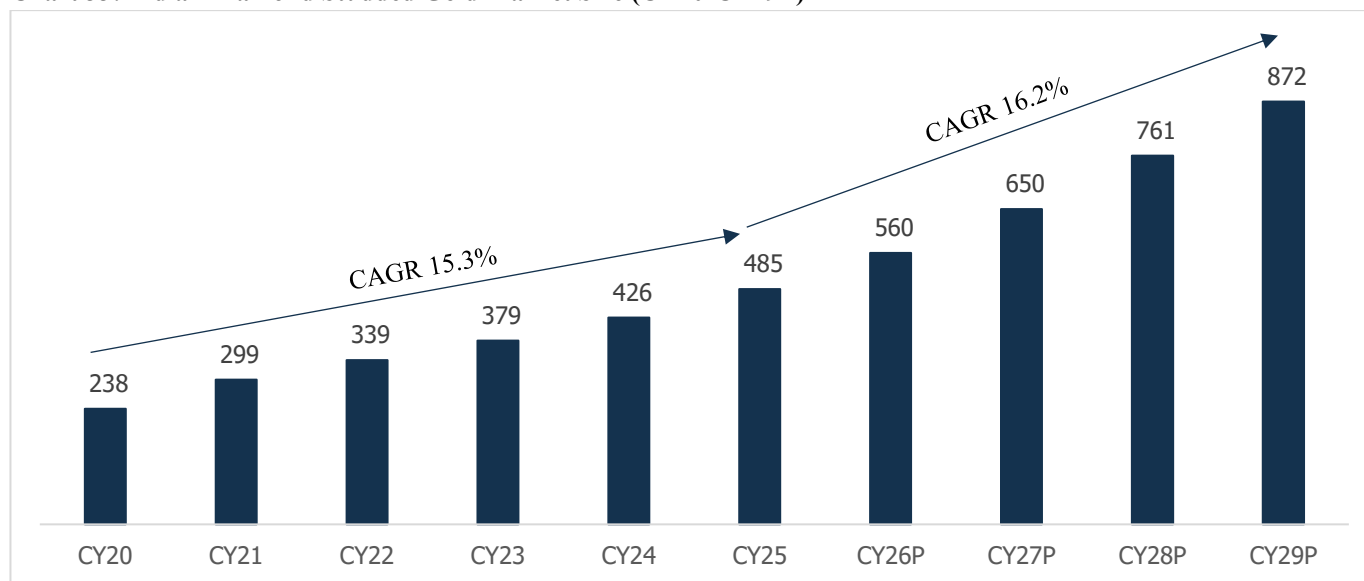
Several key trends are shaping the market. Customization has become a popular choice, especially among affluent customers looking for unique designs. E-commerce platforms have made it easier for consumers to buy diamond-studded jewellery, offering convenience and competitive pricing. Additionally, lab-grown diamonds are becoming increasingly popular due to their affordability and sustainability, changing consumer buying habits.

However, the segment faces challenges, including the fluctuating prices of diamonds, which may limit its accessibility to certain consumers. While few companies manage to mitigate the risk of fluctuating prices, some companies also find it too difficult to surpass the prices to the end consumers. The unorganized market still holds a large share, and fluctuations in gold prices and import duties affect pricing and availability. These factors introduce some uncertainty, but they are balanced by consumer demand for quality and trust in branded jewellery.

Looking ahead, the diamond-studded gold jewellery market is expected to continue growing. The expansion of India's middle class, increasing brand awareness, and the rise of organized retailers will help drive this growth. Government initiatives to promote hallmarking and transparency are also boosting consumer confidence, ensuring a positive outlook for the segment

5.3 India Diamond Studded Gold Market Size

Chart 33: Indian Diamond Studded Gold Market Size (CY20-CY29P)



Source: CareEdge Research

Diamond-studded gold jewellery has seen strong, consistent growth from CY20 to CY30P, rising from **Rs 238 billion to Rs 872 billion**. The upward trend is driven by multiple demand-side and supply-side factors. First, **consumer preference is shifting toward branded, design-led jewellery**, where diamond-studded pieces are perceived as more premium and aspirational compared to plain gold. This trend is especially strong among young urban consumers and working women.

Secondly, **increasing formalisation** in the jewellery sector has boosted trust and transparency, branded retailers are pushing diamond-studded categories aggressively through certification, lightweight designs and financing plans, which is widening the customer base.

Furthermore, **rising disposable incomes**, lifestyle upgrades and higher buying frequency for weddings, anniversaries and self-purchase occasions are pushing diamond-studded jewellery beyond metros into Tier-2/3 markets.

Moreover, on the supply side, large, organised players are expanding aggressively with new stores, stronger marketing, and omni-channel presence, which is increasing customer awareness and driving conversions.

Together, these factors support a strong **15.3% CAGR (CY20–CY25)** coming out of COVID recovery, and a steady **16.2% CAGR forecast (CY24–CY30)** as the category matures but continues to benefit from premiumisation and market formalisation.

6 Regulatory Process and framework for the Gems & Jewellery Industry in India

6.1 FDI Norms

The gems & jewellery industry is the second-largest Foreign Exchange Earner (FEE) in the Indian economy. India is known as the hub of global jewellery due to its low costs, availability of skilled labor, and other benefits like policy support etc. Various government policies support the industry. Currently, 100% Foreign Direct Investment (FDI) is permitted in the sector under the automatic route.

This sector has become a focus area for promoting exports. The government has taken various initiatives for investment promotion and technology upgradation. The country is looking forward to building a ‘Brand India’ in the global market because of its growth prospects.

The Government of India’s decision to bring FDI into the retail market expedited the growth in the organised jewellery sector. This facilitated substantial job opportunities in various departments like logistics, repackaging centres, distribution channels, housekeeping, security, etc. FDI has been one of the key drivers in uplifting the jewellery sector and contributing towards the overall development of the economy.

6.2 Goods & Services Tax (GST)

Prior to the introduction of the GST regime, gold attracted a 2% tax, consisting service tax and a value-added tax (VAT) of 1% each. The tax rate levied on gold sales increased from 2% to 3% due to the introduction of GST and had a critical impact on the jewellery industry. An additional 5% GST is applicable on the making charges of gold jewellery in India. GST of 1.5% is levied on cut and polished diamonds. Implementation of GST benefited interstate business transactions as different states operated varying tax structures before the GST, which subsumed into a single tax rate post-GST rollout. It has also simplified the purchase of bullion. Further, the implementation of GST has improved transparency and accountability, especially in the organised sector.

6.3 Gold Imports by the RBI

Given that gold is thought to be a reliable inflation safeguard and that global inflation is on the rise, central banks have become a major source of gold demand. The RBI purchases gold frequently for its reserves with the objective of diversifying the assets under which the country’s foreign exchange reserves are held. This is used as a safe investment tool against inflation and brings stability to the overall reserves of the central bank during that inflationary period. Gold is usually bought in the form of gold bars. RBI’s gold reserves stood at 879.6metric tonnes as of march 2025.

6.4 Authorized Banks for Purchase of Gold

Individuals can buy gold from banks either in physical or digital form. Generally, banks provide multiple schemes with options, such as physical gold in the form of bars and coins, digital gold, sovereign gold bonds (SGBs), etc.

Table 9: Authorized Banks Permitted to Purchase Gold from Other Countries valid up to March 2026

Authorized Banks Permitted valid up to March 2026	
Axis Bank Limited	Indian Overseas Bank
Bank of India	Kotak Mahindra Bank Limited
Federal Bank Limited	Karur Vysya Bank Limited
HDFC Bank Limited	Punjab National Bank
Industrial and Commercial Bank of China Limited	RBL Bank Limited
ICICI Bank Limited	State Bank of India
IndusInd Bank Limited	Union Bank of India

Source: Reserve Bank of India

6.5 Latest Budget Provisions for the Gems and Jewellery Industry in India

The 2025–26 Union Budget introduced several reforms to streamline the gold market, promoting transparency and growth in the industry. Key measures include:

▪ **Customs duty on jewellery articles and parts reduced**

The basic customs duty on articles of jewellery and parts thereof (HS Code 7113) has been reduced from 25% to 20%, effective 2 February 2025.

▪ **Duty cut on platinum findings**

Customs duty on platinum findings has been sharply reduced from 25% to 5%.

▪ **New HS / tariff lines for high-purity precious metals**

New tariff items have been introduced under Chapter 71 to distinguish precious metals / alloys by purity:

- Silver $\geq 99.9\%$
- Gold $\geq 99.5\%$
- Platinum $\geq 99\%$

▪ **Long-term capital gains tax / mutual fund / gold ETF rules remain**

- LTCG tax rate remains 12.5% without indexation under the new regime for assets transferred on or after 23 July 2024.
- The holding periods / classifications for gold ETFs and mutual funds etc., follow the updated rules as per Budget 2024; no further major changes specifically for gems & jewellery in FY 25-26 were reported.

6.6 Central Government's Gold Monetization Scheme

Gold Monetization Scheme (GMS) is a scheme, which was launched by the Central Government of India in November 2015 to make productive use of the gold kept idle at home or stored by households and institutions of the country in their bank lockers. Another motive behind this scheme was to reduce the country's dependency on gold imports. Individuals, institutions, corporations, and temple trusts can deposit their gold for a short-, medium-, and long-term period with RBI-designated banks under this scheme. This will help them earn interest at a rate of interest chosen by the Central Government.

The government modified the existing Gold Deposit Scheme and Gold Metal Loan Scheme with the intention to permit investors to earn term deposits with both interest earnings and security on their investments in gold. This scheme has benefited them in saving costs of gold storage and also helped the government bear borrowing costs.

With the new Revamped Gold Monetization Scheme in 2021, a few more additional provisions were added to the GMS.

Revamped Gold Deposit Scheme (R-GDS):

- Increase of banks' participation in GMS
- Dematerialization of Medium-Term Government Deposit (MTGD) Long Term Government Deposit (LTGD) Certificates for tradable and mortgageable
- Encourage jewellers as Collection and Purity Testing Centres (CPTCs)
- Reduction of minimum deposit under R-GDS
- Payment of interest in respect of STBD
- Permission is given to banks to purchase standard locally refined/sourced from refineries and Gold Spot Exchanges
- Interbank lending of IGDS/LBMA standard Bullion
- Development of the GMS digital platform for transparency and traceability
- Public communications and awareness program
- Use of MLTGD gold under GMS for bullion leasing under GML

Revamped Gold Metal Loan (R-GML):

- Repayment of Gold Metal Loan (GML) in lots of 1kg
- Repayment of the gold loan under GML using locally sourced IGDS standard bullion
- Availability of GML to all jewellers with a valid working capital credit limit

All these amendments have been implemented to strengthen the Gold Monetization Scheme. To alleviate the financial distress caused by COVID-19 among households, small businesses, and entrepreneurs, the RBI has provided a relaxation by increasing the permissible loan-to-value ratio (LTV ratio indicates the percentage value of the property which can be granted to a borrower by banks) to 90% from 75% for those availing loans against gold and jewellery for non-agricultural purposes. At present, the government is reconsidering the scheme as not being effective and not attaining its goals. Moreover, the cost of the scheme is said to outweigh its benefits.

6.7 Training Initiatives by Government Agencies such as the Gems and Jewellery Skill Council of India

The Gems and Jewellery Skill Council of India (GJSCI) is a council body established in 2012 under the supervision of the National Skill Development Corporation (NSDC) and is presently operating under the Ministry of Skill Development & Entrepreneurship (MSDE). GJSCI is an institution that encourages skill development among the workforce in the Indian gems & jewellery industry. They provide training for the processing of diamonds, coloured gemstones, the manufacturing of jewellery, and other areas such as wholesale, retail, and exports. They also undertake initiatives to provide manufacturing setups with the latest technology and other resources for upgrading.

Its founding organisations are as follows:

1. The Gem & Jewellery Export Promotion Council (GJEPC): GJEPC, set up by the Ministry of Commerce, Government of India in 1966, is the body that drives the growth of Indian exports in the gems & jewellery industry. It eases interaction between the industry and the Ministry of Commerce & Industry, the Ministry of Finance, DGFT, the Department of Commerce, and the Department of Finance on issues related to trade. It holds integrity and carries out the Kimberly Process Certification Scheme for diamonds. It also runs various training institutes, which focus on manufacturing skills, design, and other technical skills required in the industry. GJEPC helped Micro, Small & Medium Enterprises (MSMEs) by providing modern machines that are affordable. GJEPC addresses the concerns and issues that are faced in the gems & jewellery industry. They identified the need for a new revamped Gold Monetisation Scheme, import duty reduction of gold, hallmarking, etc. Recently, the organisation arranged numerous trade events and webinars virtually for buyers and sellers across the globe, which helped the industry in the recovery process. A few of them include virtual IIS, India Global Connect, virtual International Gems & Jewellery Show (e-IGJS), etc.

2. All India Gem and Jewellery Domestic Council (GJC): It is a national trade federation established to promote and advance the growth in the gems & jewellery industry. It ensures fair-trade practices are carried out in the industry and manages the efficiency of businesses. GJC constitutes various divisions such as wholesalers, retailers, allied, gold, silver, platinum, diamonds, gemstones, machinery, etc. It is responsible for developing uniformity and promoting transparency and compliance standards, which ultimately contribute towards industrial growth and development.

3. The SEEPZ Gems & Jewellery Manufacturers' Association (SGJMA): SEEPZ was founded in 1989 and represents the gems and jewellery units in the SEEPZ SEZ region. It is established by jewellery units in SEEPZ and resolves problems arising in export production and growth.

4. The Jewellers Association, Jaipur: It was formed for the progress and growth of the gem & jewellery trade of Jaipur. The Association conducts shows/exhibitions as well to enable exhibitors and buyers to interact directly.

6.8 Hallmarking of Jewellery in India

Bureau of Indian Standards (BIS) introduced the hallmarking scheme under the BIS Act, Rules and Regulations for jewellery in India in 2000 and the same was made mandatory with effect from June 2021. From July 1, 2021, all gold jewellery products have to be

hallmarked with Hallmark Unique Identification (HUID) only. The hallmark consisted of 3 marks viz, BIS logo, purity of the article, and six-digit alphanumeric HUID. Each hallmarked article has a unique HUID number which is traceable.

However, the old, hallmarked jewellery with four marks without HUID was also permitted to be sold by the jewellers simultaneously with the 6-digit HUID mark. The hallmark on the jewellery indicates the quality of jewellery and it protects the interest of consumers by having quality checks on jewellery.

BIS conducts random market surveillance on accredited jewellers at set intervals. This involves collecting hallmarked gold jewellery from a licensee's retail store or manufacturing facility and having it examined for compliance at a BIS-accredited hallmarking centre. BIS also has an advanced online digital solution in which the assaying and hallmarking centre is automated.

Furthermore, the hallmarking of the jewellery builds trust in the consumers as it gives them a sense of purity in carats. As a result, they tend to buy more and more jewellery from trusted brands, which increases the sales of the jewellery. With the introduction of the scheme, not only customers but also the owners of jewellery outlets have benefited. The Bureau of Indian Standards scheme has been successful in uplifting the quality and increasing reliance on the gems and jewellery industry.

6.9 Jewellery Parks

Jewellery parks are integrated industrial parks, which provide access to facilities under one roof, including manufacturing units, commercial areas, residences for industrial workers, commercial support services, and an exhibition centre. Multiple state governments promote the setting up of jewellery parks to encourage the gems and jewellery sector, which is currently characterised by a poor working environment, low economies of scale, limited space for modern machinery, etc.

Jewellery parks will help in streamlining manufacturing, which will in turn improve the domestic and international trade. The existing special economic zones (SEZs) - Sitapura Special Economic Zone in Jaipur and Santacruz Electronics Exports Processing Zone (SEEPZ) in Mumbai have sizeable manufacturing units with modern technology that have helped improve export potential.

Currently, there are two jewellery parks operational in Ankurhati, West Bengal, and another in Surat, Gujarat. Ankurhati focuses on plain gold jewellery, whereas Surat engages in diamond cutting and polishing, and jewellery manufacturing. Three more jewellery parks are coming up – two in Mumbai and one in Raipur.

6.10 Emergency Credit Line Guarantee Scheme (ECLGS)

The Government of India introduced the **Emergency Credit Line Guarantee Scheme (ECLGS)** in May 2020 as part of its COVID-19 relief measures to support businesses facing acute liquidity stress. The scheme, implemented through the **National Credit Guarantee Trustee Company (NCGTC)**, provided a **100% government-backed guarantee** to banks and NBFCs for extending collateral-free loans to eligible borrowers.

For the gems and jewellery industry, largely dependent on working capital cycles, exports, and retail demand, ECLGS acted as a crucial lifeline during the pandemic. MSMEs and mid-sized enterprises in the sector benefitted from enhanced credit access under the scheme, which offered:

- Additional funding up to **20–30% of outstanding credit**,
- **Interest rate caps** (9.25% for banks, 14% for NBFCs),
- **Four-year tenure with a moratorium** of 12 months on principal repayment, and
- Coverage across multiple phases, including support for hospitality, travel, and healthcare-linked supply chains.

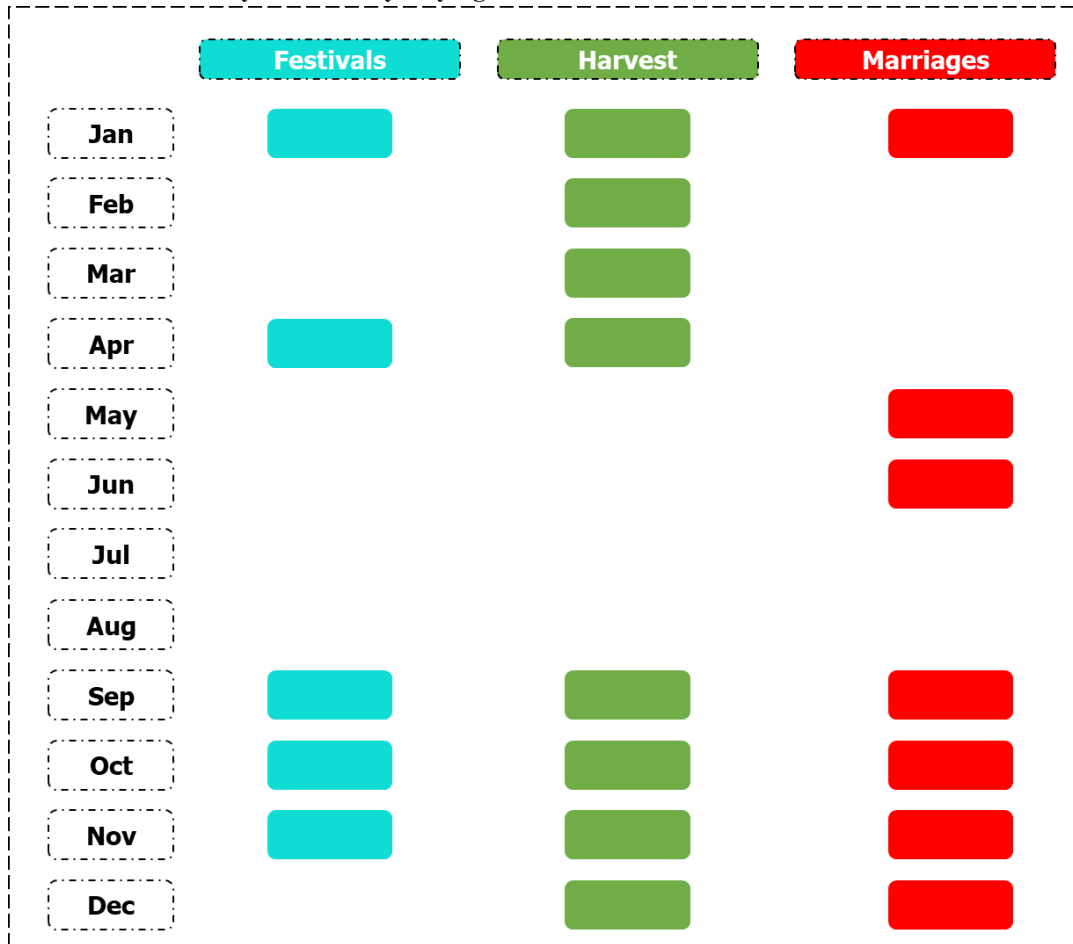
By easing liquidity constraints and reducing the risk perception of lenders, ECLGS helped preserve jobs, sustain operations, and stabilize cash flows in the jewellery trade ecosystem. Although the scheme was launched as a temporary measure, its positive spillovers have reinforced the importance of targeted credit guarantee frameworks in strengthening the financial resilience of the industry

7 Key Demand Drivers and Opportunities for Jewellery in India

Weddings and Festivals Drive Domestic Demand:

Seasonality in jewellery buying is a key factor that influences demand heterogeneity in India. Weddings, festivals, and harvests in rural regions are the main drivers of the category, and the seasonal nature of each of these drivers assures that demand for jewellery is tied to the different months and seasons.

Chart 34: Seasonality in Jewellery Buying



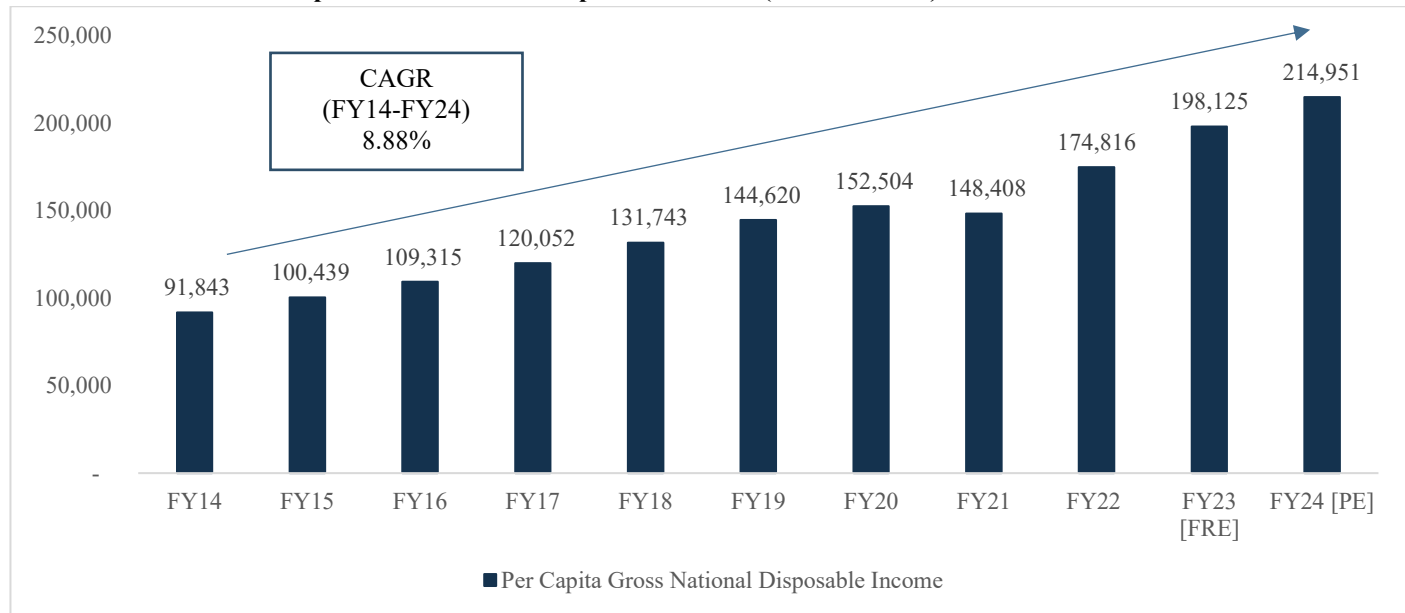
Source: CareEdge Research based on Industry sources.

Demand for jewellery rises in the months of the wedding season such as May-June, September-December, and January. During the months of November and December, rural households invest their crop money in gold jewellery. Moreover, gold demand in Tier II and Tier III towns is influenced by agricultural output and monsoon. During auspicious religious events like Diwali/Dhanteras in October and November, and Akshaya Tritiya in April and May, demand for gold and silver jewellery increases.

Increase in Per Capita Disposable Income:

Gross National Disposable Income (GNDI) is a measure of the income available to the nation for final consumption and gross savings. Between the period FY14 to FY24, per capita GNDI at current prices registered a CAGR of 8.88%. More disposable income drives more consumption, thereby driving economic growth.

Rising income is the most powerful long-term driver of Indian gold demand because the economy is complimented by a high demographic dividend. The middle-income group in India has the highest level of gold consumption. The wealthy consume the most per capita, but the middle class consumes the most total volume.

Chart 35: Trend of Per Capita Gross National Disposable Income (Current Price)

Note: FRE – First Revised Estimates, PE – Provisional Estimate.

Source: MOSPI

Although there is a growing propensity to consume gold as income rises, the proportion of gold in one's portfolio does not rise at the same rate. A fall in household savings rates, availability of different investment avenues, and agricultural earnings can be hurdles to Indian demand.

Exposure to Global Trends:

Global trends frequently blend various cultural elements and styles. Jewellery brands that integrate these diverse influences can attract a wider international audience, create new demand and broadening their market reach. Social media and influencers are crucial in shaping and amplifying these global trends. Jewellery brands that utilize these platforms to highlight trend-focused collections can generate excitement, boost online engagement, and drive consumer interest. Additionally, global trends often feature technological innovations, such as smart jewellery and advanced production methods. By adopting these innovations, jewellers can offer state-of-the-art products that appeal to tech-savvy customers and increase demand.

Preference for Branded Jewellery:

In the competitive Indian market, branded jewellery has found a significant place. Since branded jewellery has become the new trend in the industry, it has created its place in the hearts of customers over the last few years. With attentive and helpful attendants and well-displayed merchandise, shopping for jewellery has transformed. In the new market, everyone is a prospective customer. The most significant aspect of branded jewellery, however, is the perception of its excellence because a brand is synonymous with quality.

Furthermore, customers are more knowledgeable. As a result, shopping has moved to a new level, not only in terms of perspective but also in terms of method. Besides, with the rise of supermarket culture, sales and marketing of gems and jewellery have changed significantly. Today's youth have more discretionary income and are ready to spend on their preferred indulgences. Branded jewellery has a higher level of satisfaction among people than non-branded jewellery due to its prestige value, making branded jewellery more popular.

Easy availability of Gold Loan:

The emerging gold investment avenue in India at present is a monthly investment scheme run by organised jewellers. This works as a monthly gold-saving scheme where consumers deposit a specific amount of money with the jeweller for 11 months, with the jeweller then paying the consumer one-month equivalent of their deposit as interest. At the end of the year, the consumer chooses to buy gold jewellery or minted products with accumulated savings and interest. Some schemes provide the benefit of lower making charges also. One of the major benefits of this scheme is that the consumer gets to make the payment in instalments over time instead

of lumpsum payment during the purchase. Gold also serves as a mortgage during the need of emergencies for the household and hence gold loans are quite popular in India. These are offered by NBFCs as well as other financial institutions. Majorly, the lower- and middle-income groups are the ones who opt for these loans.

A trusted source of gold and innovative designs:

Indian jewellery buyers are increasingly brand conscious, and their tastes are becoming more refined. With access to a broad array of international and national premium brands, they now expect greater transparency and high-quality standards from their jewellers. They want clarity on pricing, including the costs of materials like gold and silver, as well as production fees, and seek assurance about the quality of the final product, which is best managed by organized retailers. These established players maintain transparency by adhering to rigorous quality standards and providing clear pricing. The rise in demand for affordable jewellery has led to innovative designs and the use of unconventional materials such as plated metals, stainless steel, and cubic zirconia. These alternatives allow for the creation of stylish pieces that mimic the appearance of precious metals and gems at a lower cost. The ability to swiftly adapt to changing fashion trends and introduce new collections has enabled both established and online retailers to effectively meet customer demands.

8 Threats and Challenges for the Retail Gems and Jewellery Industry

Shortage of Skilled Artisans & Craftsmen

Retail jewellers depend heavily on skilled karigars for manufacturing and custom orders. However, the industry faces a declining pool of trained artisans due to ageing workers, limited formal training, and low interest among younger generations. This leads to longer production timelines, inconsistent quality, and higher labour costs for retailers who rely on in-house or outsourced manufacturing.

Rapidly Changing Design Trends

Customer preferences in jewellery, especially among younger buyers, are shifting quickly towards lightweight, modern, and personalised designs. Retailers must frequently update collections, which increases inventory management pressure. Slow-moving designs can lead to dead stock and tied up working capital, especially when gold prices are high.

High Dependency on Imported Gold

Retail jewellers depend heavily on imported gold, as India sources over 90% of its gold requirements from abroad. Volatility in global prices, import duty changes, and currency fluctuations directly impact retail pricing and margins. Sharp price increases make consumers postpone purchases, affecting retail footfall and conversions.

Gold Price Volatility & Working Capital Pressure

High and volatile gold prices increase inventory costs for retailers, as they need to maintain adequate stock across categories and karatage. This ties up large amounts of working capital and increases interest costs. Smaller retailers face higher financing challenges, reducing their ability to compete with organised chains.

Hedging Complexity for Small Players

While large retailers hedge gold price exposure through formal mechanisms, many small and mid-sized retailers lack access, technical knowledge, and resources to manage hedging effectively. This exposes them to direct price risks, impacting profitability when prices fluctuate sharply.

Competition from the Unorganised Sector

Unorganised retailers, who form nearly 64% of the retail market, continue to attract customers through lower making charges, flexible pricing, and strong local relationships. This remains a major competitive threat for organised chains, particularly in Tier 2–4 markets.

Impact of Global Slowdowns on Consumer Sentiment

Although global slowdowns primarily affect exports, retail demand can also soften during economic uncertainty as gold purchases are often discretionary. High inflation or reduced household savings can delay purchase decisions, especially for non-wedding-related jewellery.

Regulatory and Compliance Burden

Mandatory hallmarking, GST norms, and audit requirements increase compliance complexity for retailers. While these regulations improve transparency, they increase costs and reduce flexibility, particularly for smaller jewellers.

Evolving Consumer Behaviour

Consumers are increasingly exploring lab-grown diamonds, lightweight daily-wear jewellery, and alternative investment products like gold ETFs and digital gold. This shift can reduce demand for traditional high-value jewellery, challenging retailers to adapt offerings and inventory.

Fragmented Supply Chain & Limited Innovation

India's jewellery retail ecosystem is still fragmented, with limited integration between manufacturing, wholesale, and retail. This results in inconsistent supply, design limitations, and delayed replenishment cycles, particularly for smaller stores.

9 Competitive Landscape

Tribhovandas Bhimji Zaveri Ltd, Motisons Jewellers Ltd, PNGS Reva Diamond Jewellery Ltd, and Senco Gold Ltd have been considered for the peer comparison of M.K. Sons and Jewels Limited.

9.1 Operational Parameters

Table 10: Overview

Company Name	Overview
M.K. Sons Jewels	M.K. Sons Fine Jewels Ltd. is a Mumbai-based jewellery retailer specializing in gold, diamond, and CZ jewellery. Operating under the brand “MK Jewels,” the company offers a wide range of contemporary and bridal designs through its showrooms and online platform. Founded by the Raimalani family, the brand has been active since the late 1990s and focuses on craftsmanship, design quality, and customer-centric jewellery collections.
TBZ	TBZ (Tribhovandas Bhimji Zaveri Ltd.), established in 1864 and headquartered in Mumbai, is a jewellery retailer and specializing in gold, diamond, and platinum jewellery. The company operates over 30 stores across India and is known for certified diamonds, BIS-hallmarked gold, and customer-focused services like lifetime buy-back. Combining heritage with modern designs, TBZ serves both traditional and contemporary jewellery customers.
Motisons Jewellers Ltd	Motisons Jewellers Ltd. is a Jaipur-based jewellery retailer founded in 1997 and later converted into a public company in 2011. It operates four showrooms in Jaipur. The company offers gold, diamond, kundan, silver, and platinum jewellery, as well as coins, utensils, and other handcrafted artifacts. Motisons works with local artisans in Jaipur and sources much of its jewellery from third-party suppliers.
PNGS Reva Diamond Jewellery Ltd.	PNGS Reva Diamond Jewellery Ltd., headquartered in Pune, is a jewellery retailer primarily focused on diamond and studded jewellery set in gold and platinum. The company operates under the “Reva” brand and offers products such as rings, necklaces, earrings, and bangles.
Senco Gold Ltd	Senco Gold Ltd., headquartered in Kolkata, is a leading jewellery retailer engaged in the manufacturing and retail of gold, diamond, silver, and platinum jewellery. The company operates under the brand “Senco Gold & Diamonds” and offers bridal, traditional, and daily wear jewellery. It has a wide retail network across India through company-owned and franchise showrooms

Source: Company Websites/Reports, CareEdge Research

Table 11: Operational Parameters

Company Name	Number of Stores (As on FY25)	Average Revenue Per Store (In Rs Million)
M.K. Sons Jewels	5	703
TBZ	35	748
Motisons Jewellers Ltd	4	1,155
PNGS Reva Diamond Jewellery Ltd.	33	78
Senco Gold Ltd	175	361.60

Source: Company Websites/Reports, CareEdge Research

9.2 Financial Benchmarking

Table 12: Financial Parameters, FY23

Parameters	M.K. Sons Fine Jewels Limited	Tribhovandas Bhimji Zaveri Ltd	Motisons Jewellers Ltd	PNGS Reva Diamond Jewellery Ltd.	Senco Gold Ltd
Net Sales (Rs. Millions)	249	23,936	3,662	1,988	40,774
Operating Profit (Rs. Millions)	23	1,163	490	687	3,166
Operating Margin	9.1%	4.9%	13.4%	34.6%	7.8%
Net Profit (Rs. Millions)	13	402	222	517	1,585
Net Profit Margin	5.4%	1.7%	6.1%	26%	3.9%
Total Debt (Rs. Millions)	121	4,867	1,645	-	11,793
Debt -to- Equity	0.86	0.87	1.20	0.0	1.2
Current Ratio	1.4	1.6	1.8	13.7	1.4
Return on Capital Employed (ROCE)	12.9%	15.2%	30.0%	60%	26%
Return on Equity (ROE)	9.5%	7.2%	16.2%	-99%	16.8%
Return on Assets (ROA)	2.6%	2.7%	6.6%	42%	6%
Net Working Capital Days	186	70	149	199	68
Inventory Turnover Ratio	0.44	1.1	0.1	1.4	1.6

Source: Company Annual Reports, CareEdge Research

Table 13: Financial Parameters, FY24

Parameters	M.K. Sons Fine Jewels Limited	Tribhovandas Bhimji Zaveri Ltd	Motisons Jewellers Ltd	PNGS Reva Diamond Jewellery Ltd.	Senco Gold Ltd
Net Sales (Rs. Millions)	2,173	22,989	4,168	1,956	52,414
Operating Profit (Rs. Millions)	129	1,393	633	561	3,755
Operating Margin	5.9%	6.1%	15.2%	28.7%	7.2%
Net Profit (Rs. Millions)	82	544	322	424	1,810
Net Profit Margin	3.8%	2.4%	7.7%	21.7%	3.5%
Total Debt (Rs. Millions)	386	5,330	1,089	-	5,901
Debt -to- Equity	1.73	0.89	0.33	0.0	0.4
Current Ratio	1.4	1.7	3.4	0.8	1.6
Return on Capital Employed (ROCE)	40.6%	17.8%	18.3%	-202%	22%
Return on Equity (ROE)	36.6%	9.0%	9.8%	-148.8%	13.3%
Return on Assets (ROA)	8.6%	3.7%	6.8%	30%	5%
Net Working Capital Days	115	81	286	-54	82

Parameters	M.K. Sons Fine Jewels Limited	Tribhovandas Bhimji Zaveri Ltd	Motisons Jewellers Ltd	PNGS Reva Diamond Jewellery Ltd.	Senco Gold Ltd
Inventory Turnover Ratio	2.9	1.1	0.1	1.5	1.8

Source: Company Annual Reports, CareEdge Research

Table 14: Financial Parameters, FY25

Parameters	M.K. Sons Fine Jewels Limited	Tribhovandas Bhimji Zaveri Ltd	Motisons Jewellers Ltd	PNGS Reva Diamond Jewellery Ltd.	Senco Gold Ltd
Net Sales (Rs. Millions)	3,513	26,205	4,621	2,582	63,281
Operating Profit (Rs. Millions)	386	1,729	684	796	3,676
Operating Margin	11%	6.6%	14.8%	30.8%	5.8%
Net Profit (Rs. Millions)	233	684	432	595	1,593
Net Profit Margin	6.6%	2.6%	9.3%	23%	2.5%
Total Debt (Rs. Millions)	689	7,000	711	907	5,872
Debt -to- Equity	0.59	1.07	0.17	0.9	0.3
Current Ratio	2.7	1.6	5.8	1.8	1.7
Return on Capital Employed (ROCE)	27.2%	20.3%	15.9%	80%	16%
Return on Equity (ROE)	20.0%	10.4%	10.4%	59.4%	8.1%
Return on Assets (ROA)	10.6%	3.9%	8.5%	31%	4%
Net Working Capital Days	225	79	327	141	100
Inventory Turnover Ratio	2.04	1.3	0.1	1.4	1.7

Source: Company Annual Reports, CareEdge Research

Table 15: Financial Parameters, 9MFY26

Parameters	M.K. Sons Fine Jewels Limited	Tribhovandas Bhimji Zaveri Ltd	Motisons Jewellers Ltd	PNGS Reva Diamond Jewellery Ltd.	Senco Gold Ltd
Net Sales (Rs. Millions)	3,608	23,733	3,521	3,009	64,334
Operating Profit (Rs. Millions)	482	2,485	786	644	6,947
Operating Margin	13.4%	10.5%	22.3%	21.4%	10.8%
Net Profit (Rs. Millions)	292	1,347	554	432	4,174
Net Profit Margin	8.1%	5.7%	15.7%	14.4%	6.5%
Total Debt (Rs. Millions)	721	N/A	N/A	N/A	N/A
Debt -to- Equity	.50	N/A	N/A	N/A	N/A
Current Ratio	2.4	N/A	N/A	N/A	N/A
Return on Capital Employed (ROCE)	26.8%	N/A	N/A	N/A	N/A
Return on Equity (ROE)	20.1%	N/A	N/A	N/A	N/A

Parameters	M.K. Sons Fine Jewels Limited	Tribhovandas Bhimji Zaveri Ltd	Motisons Jewellers Ltd	PNGS Reva Diamond Jewellery Ltd.	Senco Gold Ltd
Return on Assets (ROA)	10.4%	N/A	N/A	N/A	N/A
Net Working Capital Days	N/A	N/A	N/A	N/A	N/A
Inventory Turnover Ratio	N/A	N/A	N/A	N/A	N/A

Source: Company Annual Reports, CareEdge Research

10 Company Overview

10.1 Overview

MK Jewels is a jewellery brand established in 1999, with operations in Mumbai and Ahmedabad. Their business has been in the industry for over 25 years and focuses on offering a range of jewellery products across different categories. Its portfolio includes designs that combine traditional and contemporary styles, with over 5,000 gold and diamond designs.

The business operates through five physical retail stores located in established market areas, including three stores in Mumbai and two in Ahmedabad, and is also developing its digital presence. The company follows standardized operating processes across its stores and emphasizes maintaining consistent product quality and customer service.

10.2 Product and Collection Offering

Bridal Jewellery: The bridal jewellery segment includes a range of products such as diamond, Polki, Kundan, gemstone, and cubic zirconia (CZ) jewellery, primarily crafted in 18 karat and 22 karat gold. These collections are designed to cater to traditional wedding requirements while incorporating detailed craftsmanship and varied design styles.

Aspirational Jewellery: The aspirational jewellery category comprises statement pieces typically associated with special occasions or personal milestones. These designs combine elements of both contemporary and traditional styles, offering a balance between modern aesthetics and classic appeal.

Daily Wear Jewellery: The daily wear segment focuses on lightweight gold and diamond jewellery intended for regular use. The products in this category are designed to be practical, comfortable, and suitable for everyday styling.

Signature Collection: The signature collection consists of curated jewellery pieces that reflect a blend of traditional and modern design elements. This category includes a variety of products positioned to showcase distinct design approaches across different jewellery types.

Table 16: Collections

Collection Name	Description
Pavitra	A faith-based jewellery collection that includes traditional and religiously inspired designs, typically comprising necklaces, earrings, and sets with cultural motifs.
Rivaaz	A mangalsutra collection featuring a range of designs suited for traditional and contemporary preferences, primarily focusing on everyday and occasion wear.
Nayaab	A collection of 18 karat gold and cubic zirconia (CZ) jewellery, including rings and other pieces designed with a blend of modern styling and intricate detailing.
RR Classics	A men's jewellery collection that includes rings, bracelets, and other accessories designed specifically for male customers, focusing on structured and contemporary designs.
CharmChime	A collection featuring charm-based jewellery, including bracelets and accessories with personalized and symbolic elements.
Sitaare	A real diamond jewellery collection comprising rings, bangles, and other pieces designed with a focus on diamond settings.
NAOSH	A collection of 22 karat antique gold jewellery, including necklaces, earrings, and traditional sets with intricate detailing.
Petite	A range of miniature charm jewellery, primarily consisting of delicate and lightweight pieces.
Sunheri	A gold jewellery collection that includes necklaces, earrings, and traditional designs crafted in gold.
Sharva	A curated collection featuring jewellery pieces selected and designed with a focus on detailed craftsmanship and styling.
Ra Ra Ru	A collection of jewellery pieces curated with a design emphasis on unique patterns and contemporary aesthetics.
One & only	A collection comprising distinctive and statement jewellery pieces across rings, necklaces, and bracelets.

10.3 Financial Information

Table 17: Financial Parameters

Parameters	FY23	FY24	FY25	9MFY26
Net Sales (Rs. Millions)	249	2,173	3,513	3,608
Operating Profit (Rs. Millions)	23	129	386	482
Operating Margin	9.1%	5.9%	11.0%	13.4%
Net Profit (Rs. Millions)	13	82	233	292
Net Profit Margin	5.4%	3.8%	6.6%	8.1%
Total Debt (Rs. Millions)	121	386	689	721
Debt -to- Equity	0.86	1.73	0.59	0.5
Current Ratio	1.4	1.4	2.7	2.4
Return on Capital Employed (ROCE)	12.9%	40.6%	27.2%	26.8%
Return on Equity (ROE)	9.5%	36.6%	20.0%	20.1%
Return on Assets (ROA)	2.6%	8.6%	10.6%	10.4%
Net Working Capital Days	186	115	225	N/A
Inventory Turnover Ratio	0.44	2.9	2.04	N/A

Source: Company Reports, CareEdge Research

The net sales of the company witnessed a significant increase, growing from Rs. 249 million in FY23 to Rs. 3,513 million in FY25, registering a strong CAGR of approximately **~276%** over the period. This sharp growth indicates rapid scale-up in operations. Operating profit also increased substantially from Rs. 23 million in FY23 to Rs. 386 million in FY25, reflecting improved operational efficiency, although operating margins moderated to 5.9% in FY24 before improving to 11% in FY25.

Net profit rose from Rs. 13 million in FY23 to Rs. 233 million in FY25, registering a robust CAGR of around **~323%**, with net profit margins improving from 5.4% in FY23 to 6.6% in FY25 after a dip in FY24. The company's profitability ratios showed healthy improvement, with ROCE increasing from 12.9% in FY23 to 27.2% in FY25, while ROA improved from 2.6% to 10.6% during the same period. ROE, however, peaked at 36.6% in FY24 before moderating to 20.0% in FY25.

On the leverage front, total debt increased from Rs. 121 million in FY23 to Rs. 689 million in FY25 to support business expansion, while the debt-to-equity ratio improved to 0.59x in FY25 from 1.73x in FY24, indicating strengthening of the capital structure. The current ratio remained comfortable at 2.7x in FY25, reflecting adequate liquidity position

For 9MFY26, the company has already reported net sales of Rs. 3,608 million, surpassing FY25 levels, indicating continued growth momentum. Operating profit stood at Rs. 482 million with an improved operating margin of 13.4%, while net profit was reported at Rs. 292 million with a net margin of 8.1%, highlighting further improvement in profitability.

11 Abbreviations, KPI Definitions and Bibliography

Below are the list of abbreviations and their meanings used throughout the report for reference: -

Table 18: Abbreviations Table

Category	Abbreviation	Meaning
Government & Regulatory Bodies	BIS	Bureau of Indian Standards
	DGF	Directorate General of Foreign Trade
	RBI	Reserve Bank of India
	MOSPI	Ministry of Statistics and Programme Implementation
	MSDE	Ministry of Skill Development and Entrepreneurship
	GST	Goods and Services Tax
	PMLA	Prevention of Money Laundering Act
	KYC	Know Your Customer
	IBEF	India Brand Equity Foundation
Economic & Financial Terms	CAGR	Compound Annual Growth Rate
	FDI	Foreign Direct Investment
	GDP	Gross Domestic Product
	GDS	Gross Domestic Savings
	GNDI	Gross National Disposable Income
	INR	Indian Rupee
	USD	United States Dollar
	PPP	Purchasing Power Parity
	YTD	Year-to-Date
	PLI	Production Linked Incentive
Industry Specific Terms	CPD	Cut & Polished Diamonds
	CZ	Cubic Zirconia
	GIA	Gemological Institute of America
	GJEPC	Gem & Jewellery Export Promotion Council
	GMS	Gold Monetization Scheme
	IGJS	International Gem and Jewellery Show
	HUID	Hallmark Unique Identification
	RFID	Radio Frequency Identification
	Tier 1	Over 4 million Population
	Tier 2	1 million to 4 Million Population
	Tier 3	Less than 1 million Population
	DPMS	Dealers in Precious Metals and Stones
Government Schemes & Programs	PMMY	Pradhan Mantri Mudra Yojana
International & Global Terms	UAE	United Arab Emirates
	UK	United Kingdom
	US	United States
	USA	United States of America
General Business & Economic Terms	NBFC	Non-Banking Financial Company
	FMCG	Fast-Moving Consumer Goods
	FY	Financial Year
	SWOT	Strengths, Weaknesses, Opportunities, and Threats
	SDP	State Domestic Product

Table 19: KPI Definitions

Financial Parameter	Formula
Revenue	Revenue from Operations
EBITDA	Sum of Depreciation, Finance Cost, and Profit (Loss) before exceptional item and tax excluding Other Income
EBITDA Margin	EBITDA divided by Revenue from operations
PAT	Profit for the period
PAT Margin	Profit after Tax divided by Revenue from operations
Debt	Sum of Long-term Borrowings and Short-term Borrowings
Debt to Equity	Debt divided by Total Equity
Net Debt to EBITDA	Net Debt divided by EBITDA
Return on Equity (ROE)	PAT divided by Avg. Total Equity
Return on Capital Employed (ROCE)	EBIT divided by Avg. Capital Employed (Total liabilities and equity excluding current liabilities)
Debtor Days	Avg. Debtors divided by Revenue from operations and then multiplied by 365
Creditor Days	Avg. Creditors divided by COGS and then multiplied by 365
Inventory Days	Avg. Inventory divided by COGS and then multiplied by 365

Table 20: Bibliography

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IMARC Group
India Brand Equity Foundation (IBEF)
Centre for Monitoring Indian Economy (CMIE)
EMIS Professional Database
World Gold Council (WGC)
Ministry of Finance
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