



IPO NOTE

RBZ JEWELLERS LIMITED



Rating:
SUBSCRIBE
(Only For High Risk Investors)



ISSUE OFFER	
Issue Opens on	DEC 19, 2023
Issue Close on	DEC 21, 2023
Total IPO size (cr)	100.00
Fresh issue (cr)	100.00
Offer For Sale (cr)	NIL
Price Band (INR)	95-100
Market Lot	150
Face Value (INR)	10
Retail Allocation	35%
Listing On	NSE, BSE

ISSUE BREAK-UP (%)	
QIB Portion	50%
NIB Portion	15%
Retail Portion	35%

SHAREHOLDING (No. of Shares)	
Pre Issue	Post Issue
30,000,000	40,000,000

INDICATIVE TIMETABLE	
Finalisation of Basis of Allotment	22-12-2023
Refunds/Unblocking ASBA Fund	26-12-2023
Credit of equity shares to DP A/c	26-12-2023
Trading commences	27-12-2023

RBZ Jewellers Limited is one of the leading organized manufacturers of gold jewellery in India, specializing in Antique Bridal Gold Jewellery and distributing it to reputable nationwide retailers and significant regional players in India. It also operates its retail showroom under the brand name "Harit Zaveri" and is an established player in Ahmedabad.

OBJECTS OF THE ISSUE

- Funding working capital requirements of the Company
- General Corporate Purposes.

OUTLOOK & VALUATION

RBZ Jewellers manufactures and distributes gold jewelry, serving both wholesale and retail markets. The company's organized manufacturing infrastructure, geographical reach, and risk mitigation systems are promising strengths.

RBZ Jewellers has demonstrated consistent financial growth, reflected in its rising top- and bottom-line figures. However, potential investors should carefully consider key risks such as gold price volatility, significant dependence on a limited number of clients, the absence of formal arrangements with in-house artisans, and intense competition within the industry.

The IPO valuation of 13.4x P/E appears fair on the surface, but the aforementioned risks necessitate a cautious approach. We recommend this IPO only for high-risk investors.



KEY MANAGERIAL PERSONNEL

01

Rajendrakumar Kantilal Zaveri

Promoter and the Chairman & Managing Director of the Company. Being a Promoter, he has been associated with the Company since its incorporation. He has thirty-five years of experience in manufacturing and trading of gold jewellery.

02

Harit Rajendrakumar Zaveri

Promoter and the Joint Managing Director of the Company. Being a Promoter, he has been associated with the Company since its incorporation and has established a retail division of the Company under the name of "Harit Zaveri Jewellers" in 2014. He has over seventeen years of experience in jewellery industry and has contributed to the growth of the Company.

03

Heli Akash Garala

Company Secretary and Compliance Officer of the Company. She joined the Company on October 1, 2022. She has almost six years of experience in corporate secretarial, SEBI LODR and other related compliances. Prior to joining this Company, she was associated with Ushanti Colour Chem Limited, Amradeep Industries Limited, Sun and Shine Worldwide Limited and Ultra Denim Private Limited.

04

Harshvardhan Bhardwaj

Chief Financial Officer of the Company. He joined the Company with effect from March 10, 2023 and was subsequently appointed as Chief Financial Officer of the Company with effect from April 01, 2023. He has an experience of nearly nine years with competencies in the areas of finance and international trade remedies.



COMPANY PROFILE

- RBZ Jewellers Limited holds approximately 1% of the total organized wholesale gold jewelry market in India. It has a history of more than fifteen years in the jewellery industry.
- It designs and manufactures a wide range of Antique Bridal Gold Jewellery which consists of jadau, Meena, and Kundan work, and sells it on a wholesale and retail basis.
- Its customer base in wholesale business includes reputed national, regional, and local family jewellers spread across 20 States and 72 cities within India.
- It has a well-equipped and modern gold jewellery manufacturing facility situated at Sarkhej Gandhinagar Highway, Ahmedabad, Gujarat.
- The Company has a workforce of 189 employees. It also has a permitted capacity of 250 artisans for its manufacturing facility.

COMPETITIVE STRENGTHS

- Organized manufacturing setup under one roof.
- Client Mix and geographical spread.
- Design and Innovation in its product range.
- Brand is built on the core values of trust, transparency, and innovation.
- Established systems and procedures to mitigate risk.
- Experienced Promoters with young leadership.

KEY STRATEGIES

- Deepen and penetrate its existing customer relationships.
- Increase its production and enhance its product portfolio.
- Continue to invest in its marketing and brand-building initiatives.
- Strengthen its Inventory Management practices.

KEY CONCERNS

- The Company requires a significant amount of working capital for continued growth.
- It does not currently have exclusive or fixed supply arrangements with any of its suppliers of gold.
- The Company does not have any formal arrangement with its in-house artisans.
- Its manufacturing facility and showroom are located only in Ahmedabad, Gujarat.
- It derives a significant portion of its revenue from operations from its top 10 customers.
- The business may be subject to fluctuations in prices or any unavailability of gold that it use in its products.
- High Competition.

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2023)

Name of the Company	EPS (Basic)	P/E	Total Income (LKH)	NAV	RoNW (%)
RBZ Jewellers Limited	7.44	-	28,962.62	30.82	24.15%
Peer Group					
Kalyan Jewellers Limited	4.20	78.33	14,10,933. 80	35.28	11.88%
Senco Gold Ltd	22.93	32.50	4,10,854.0 0	156.51	13.04%
Thangamayil Jewellery Ltd	58.13	24.78	3,15,590.0 0	283.38	20.50%
D P Abhushan Limited	20.33	28.46	1,97,535.0 0	81.36	25.02%
Titan Company Limited	36.61	93.06	40,88,300. 00	134.09	27.50%
Ashapuri Gold Ornament Limited	0.71	14.96	15,813.69	33.01	2.16%
Sky Gold Limited	17.32	49.46	1,15,475.6 3	91.34	18.96%

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (RS. IN LAKH)	FY 2023	FY 2022	FY 2021
Equity Share Capital	3,000.00	400.00	400.00
Other Equity	6,246.77	6,603.25	5,155.27
Net Worth	9,246.77	7,003.25	5,555.27
Total Borrowings	2,312.49	854.88	753.82
Revenue from Operations	28,792.78	25,210.67	10,699.13
EBITDA	3,946.20	2,719.18	2116.18
Profit Before Tax	2,976.70	1,961.39	1,337.84
Net Profit for the year	2,233.31	1,440.57	974.82


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