



Report on Gems & Jewellery Sector in India

May 14th, 2026

Prepared for Advit Jewels Limited

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India Macroeconomic Analysis

India's economic growth outlook for 2025 has been revised upward by 1.0 percentage point from the October estimate to 7.6%, supported by stronger-than-expected performance in the second and third quarters of the fiscal year and sustained momentum in the fourth quarter. For 2026, the growth projection has been moderately increased by 0.3 percentage point (including a 0.1 percentage point upward revision from January) to 6.5%, primarily driven by the carryover effect of the strong 2025 performance and the reduction in additional U.S. tariffs on Indian goods from 50% to 10%, which more than offsets the adverse impact of the Middle East conflict. Growth is expected to remain steady at 6.5% in 2027. Across several South and Southeast Asian economies, disruptions linked to the Middle East conflict are anticipated to reduce tourism activity and remittance inflows, thereby weakening domestic demand and moderating overall economic performance.

Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2027 P	CY 2028P
India ¹	-5.8%	9.7%	7.6%	9.2%	6.5%	7.6%	6.5%	6.5%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	5.0%	4.4%	4.0%	4.0%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	2.1%	2.3%	2.1%	2.1%
Japan	-4.2%	2.7%	0.9%	1.4%	-0.2%	1.2%	0.7%	0.6%	0.6%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.3%	0.8%	1.3%	1.6%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.3%	1.0%	1.1%	1.1%	1.0%
Germany	-4.1%	3.9%	1.8%	-0.9%	-0.5%	0.2%	0.8%	1.2%	1.2%

Source: World Economic Outlook, April 2026

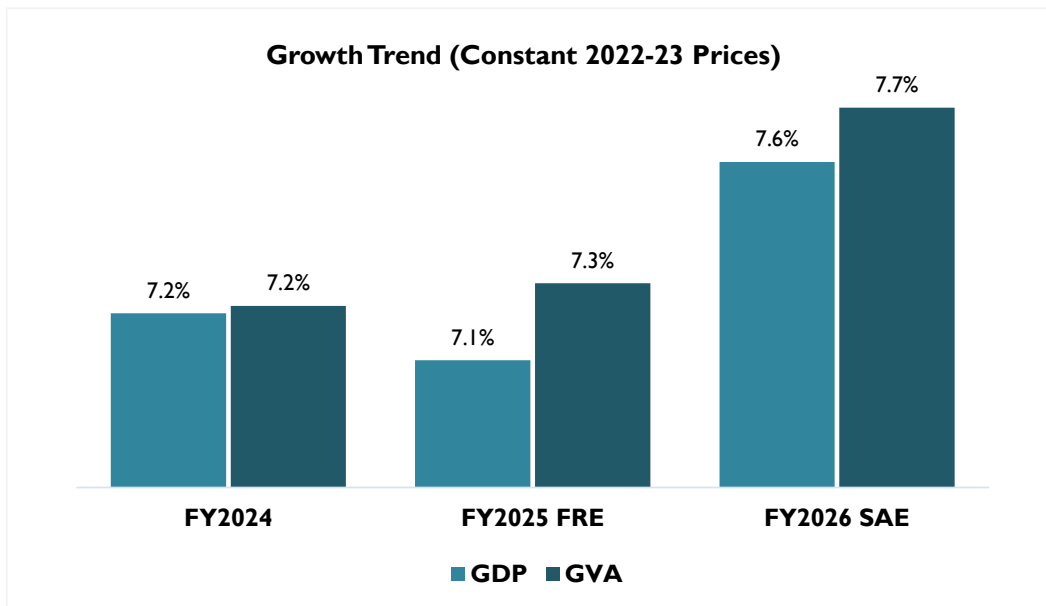
Historical GDP and GVA Growth Trend

India Real GDP (GDP at constant prices) for FY 2025–26 is estimated to reach INR 322.58 lakh crore, compared to the First Revised Estimate (FRE) of INR 299.89 lakh crore for FY 2024–25. This represents a growth rate of 7.6% in 2025–26, higher than the 7.1% growth recorded in 2024–25.

Similarly, Real GVA for FY 2025–26 is projected at INR 294.40 lakh crore, up from INR 273.36 lakh crore in FY 2024–25. This indicates a growth rate of 7.7%, compared with the 7.3% growth achieved in the previous year.

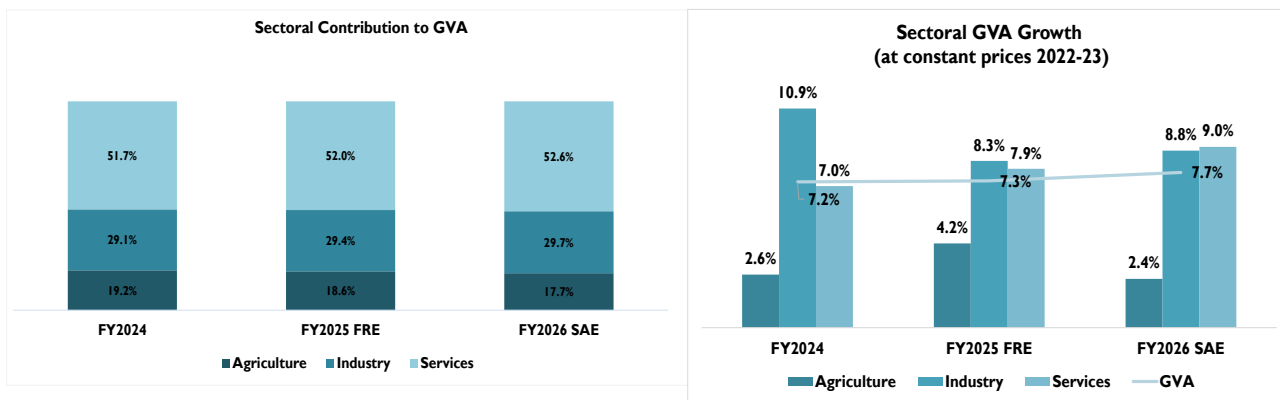
¹ For India, data and forecasts are presented on a fiscal year basis, and GDP from 2022 onward is based on GDP at market prices with fiscal year 2022/23 as a base year





Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025, FRE is First Revised Estimate, SAE is Second Advance Estimate

Sectoral Contribution to GVA and Annual Growth Trend



Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

FRE is First Revised Estimate, SAE is Second Advance Estimate

Sectoral analysis of GVA reveals that the industrial sector experienced steady growth momentum in FY 2026, recording a 7.7% y-o-y growth against 7.3% year-on-year growth in FY 2025. Within the industrial sector, growth moderated across sub-sector with mining, and construction activities growing by 4.08%, and 7.08% respectively in FY 2026, compared to 11.69%, and 7.30% in FY 2025. Growth in the utilities sector too moderated to 1.52% in FY 2026 from 2.87% in the previous year. The industrial sector's contribution to GVA increased marginally from 29.4% in FY 2025 to 29.7% in FY 2026.

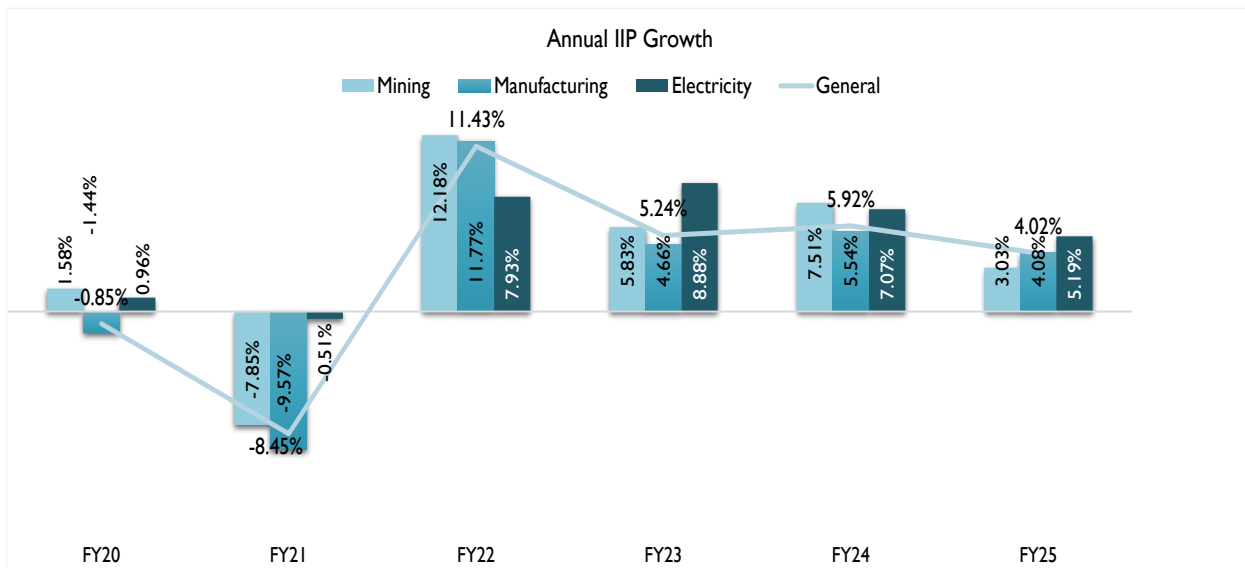
The services sector continued to be the main driver of economic growth. It expanded by 9.0% in FY 2026 from 7.9% in FY 2025. The services sector retained its position as the largest contributor to GVA, rising from 51.7% in FY 2024 to 52% in FY 2025, with a further increase to 52.6% in FY 2026.

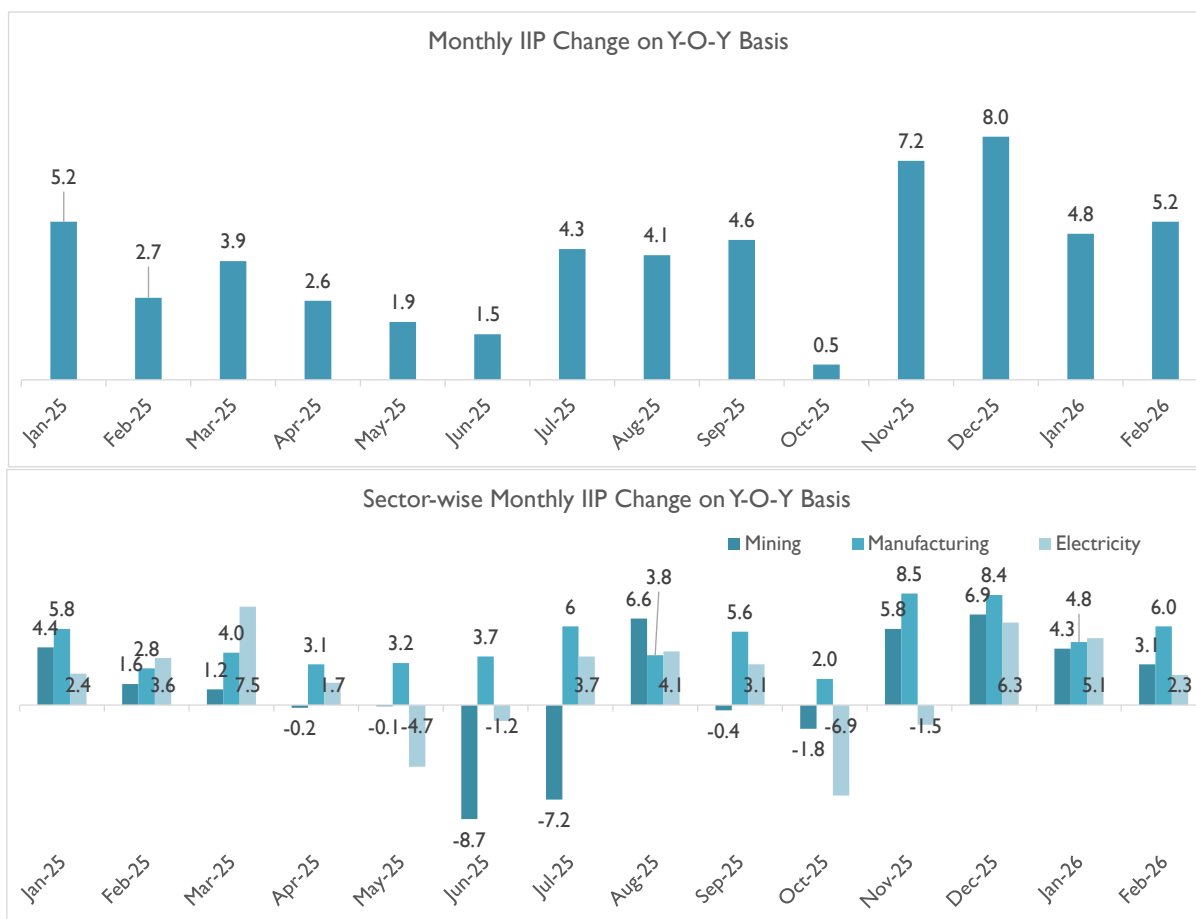


The agriculture sector saw an acceleration in growth, increasing from 2.66% in FY 2024 to 4.18% in FY 2025, before moderating to 2.42% in FY 2026. However, its contribution to GVA declined marginally from 19.2% in FY 2024 to 17.7% in FY 2026. Overall, Gross Value Added (GVA) growth rose to 7.7% in FY 2026 from 7.3% in FY 2025.

Annual & Monthly IIP Growth

Industrial sector performance as measured by the IIP index exhibited moderation in FY 2025, recording a 4.02% y-o-y growth against 5.92% increase in the previous year. The manufacturing index showed moderation, increasing by 4.08% in FY 2025 compared with 5.54% in FY 2024. The mining sector index also moderated, growing 3.03% in FY 2025 compared with 7.51% in the previous year, while the Electricity sector index moderated by 5.19% in FY 2025 compared with 7.07% in the previous year.





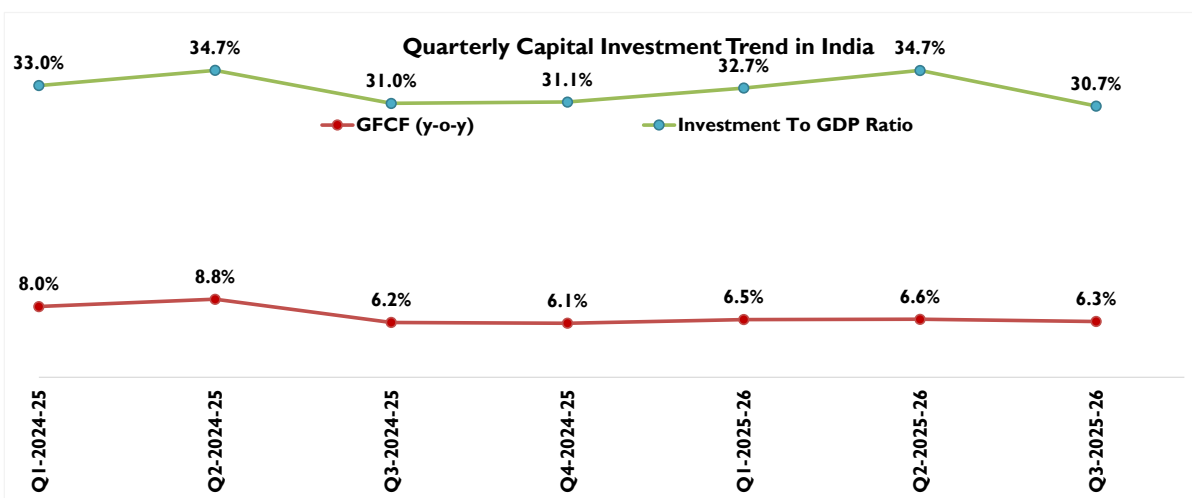
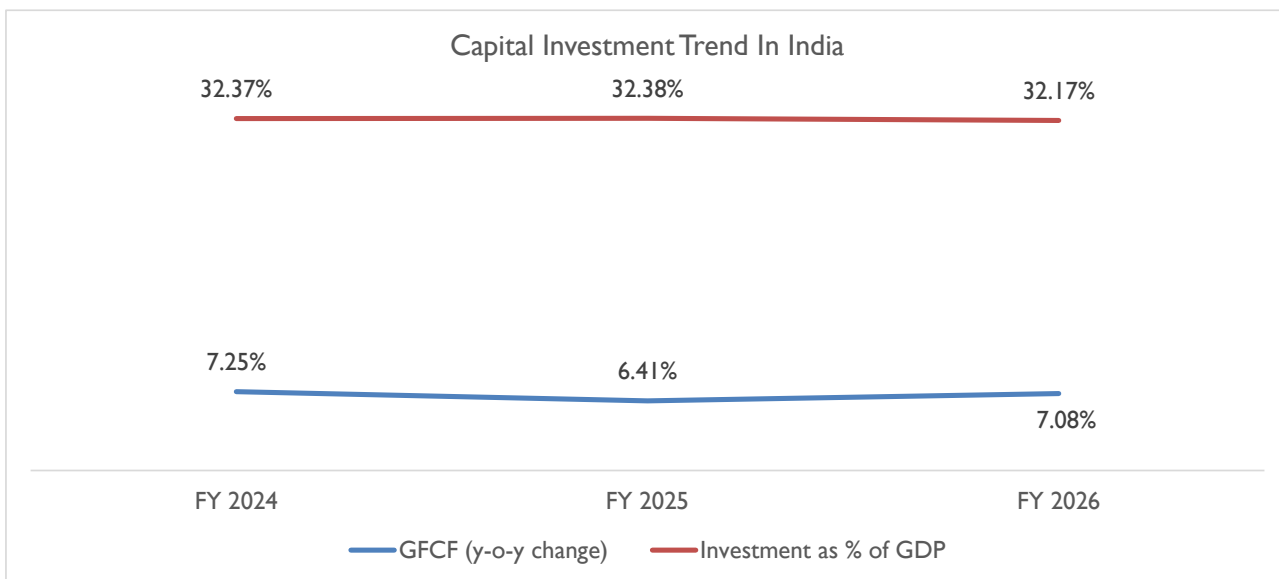
Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of February 2026 is 5.2 percent which was 4.8 percent (Quick Estimate) in the month of January 2026. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of February 2026 are 3.1 percent, 6.0 percent and 2.3 percent respectively.

Annual and Quarterly: Investment & Consumption Scenario

Other major indicators, such as Gross Fixed Capital Formation (GFCF), a measure of investment, increased during FY 2026, registering 7.08% year-on-year growth compared with 6.41% in FY 2025, bringing the GFCF-to-GDP ratio to 32.17%.



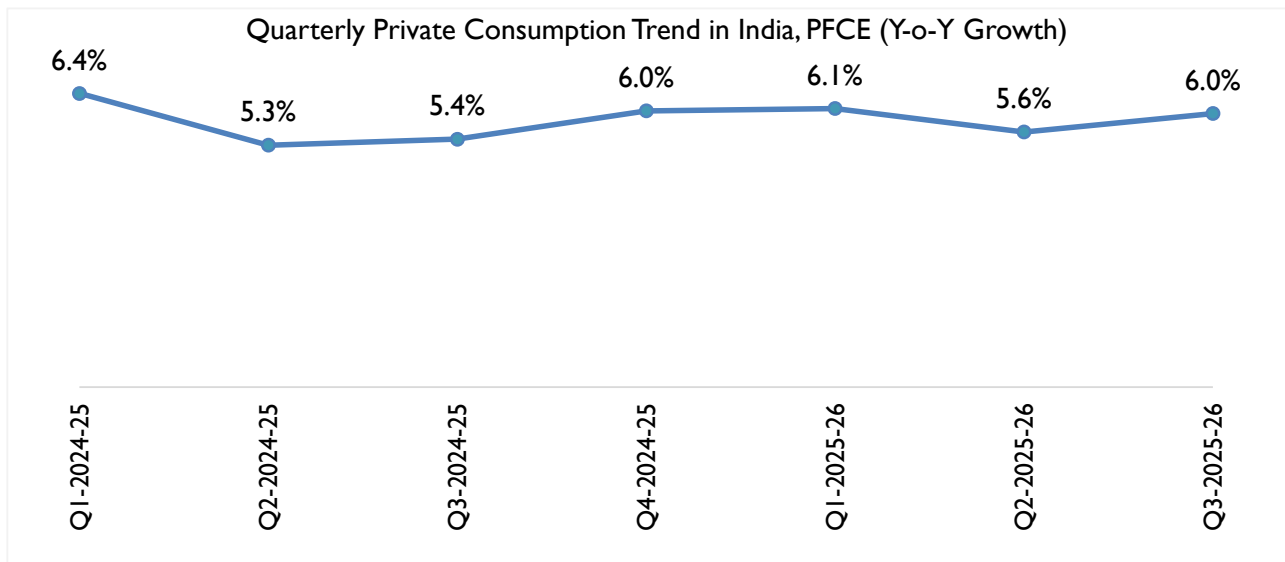
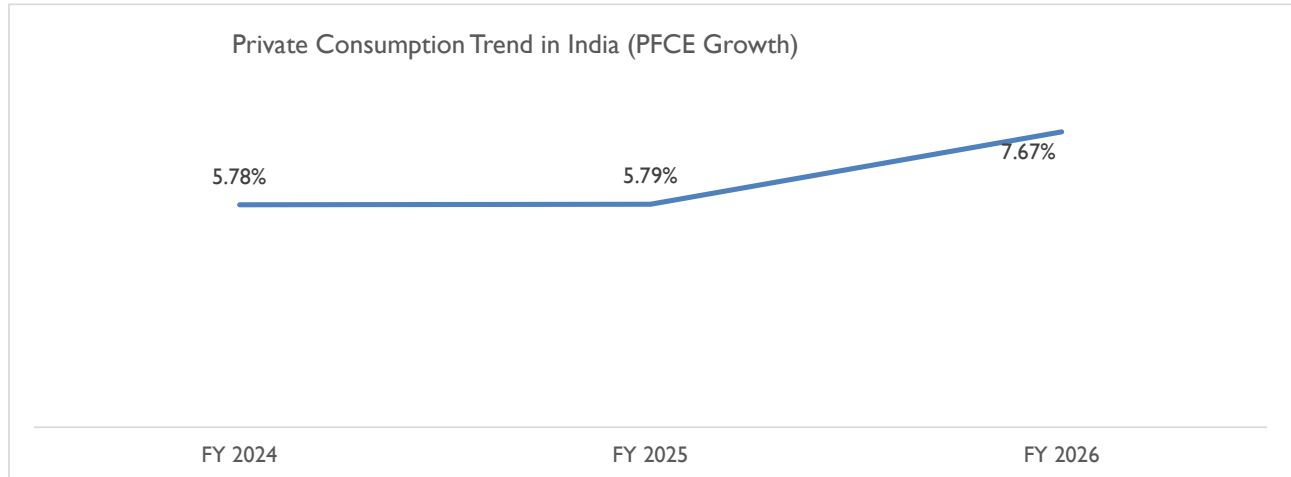


Source: Ministry of Statistics & Programme Implementation (MOSPI), CMIE Economics Outlook

On a quarterly basis, India’s capital investment indicators display a pattern of moderate but uneven momentum. The Investment-to-GDP ratio remained above 30% throughout the period but shifted within a narrow and cyclical band—rising from 33.0% in Q1 FY 2024-25 to 34.7% in Q2, before softening to 31.0% and 31.1% in Q3 and Q4, respectively. The ratio recovered to 32.7% in Q1 FY 2025-26 and 34.7% in Q2, before easing to 30.7% in Q3, indicating fluctuating capital deployment across quarters. Meanwhile, GFCF (y-o-y) growth also exhibited volatility. After rising to 8.8% in Q2 FY 2024-25, growth moderated to 6.2% in Q3 and 6.1% in Q4, reflecting a deceleration in both government and private investment activity. Growth improved marginally to 6.5% in Q1 FY 2025-26 and 6.6% in Q2, but eased to 6.3% in Q3, signalling a plateauing in investment momentum. Overall, the data suggests that while investment levels remain healthy, quarterly volatility persists, underscoring the dependence on fiscal spending patterns and the still-gradual recovery of private capital expenditure.



Private Consumption Scenario



Sources: MOSPI, CMIE Economics Outlook

Private Final Consumption Expenditure (PFCE), a practical proxy for household spending, recorded growth in FY 2026 relative to FY 2025. Quarterly Private Final Consumption Expenditure (PFCE) has reported 6.0% growth rate during Q3 of FY 2025-26 as compared to the 5.6% growth rate in the corresponding period of the previous financial year.



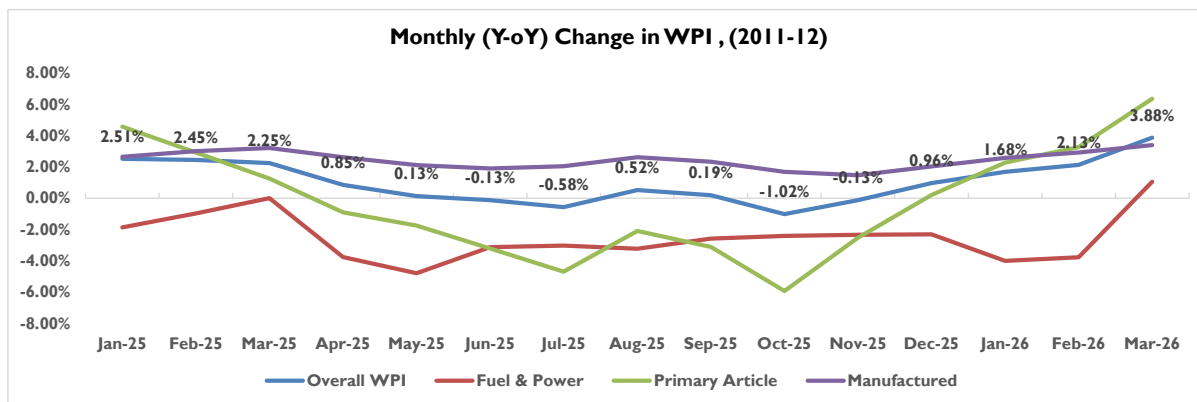
Inflation Scenario

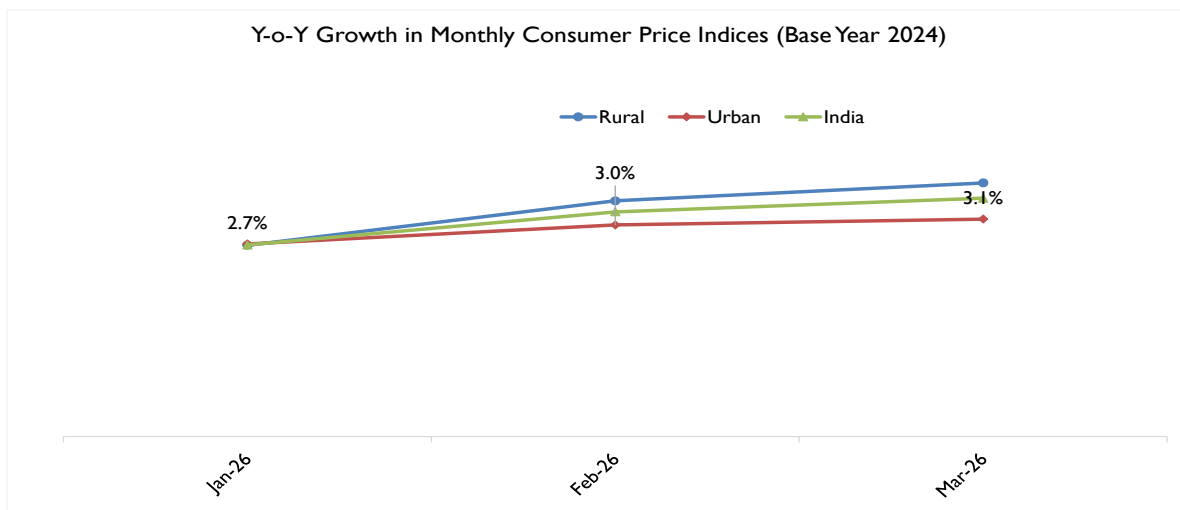
The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 3.88% (provisional) for the month of March 2026 (over March 2025). Positive rate of inflation in March 2026 is primarily due to increase in prices of crude petroleum & natural gas, other manufacturing, non-food articles, manufacture of basic metals and food articles etc.

Primary Articles (Weight 22.62%): - The index for this major group increased by 2.28 % from 192.9 (provisional) for the month of February, 2026 to 197.3 (provisional) in March, 2026. The Price of crude petroleum & natural gas (36.16 %) and minerals (0.12%) increased in March, 2026 as compared to February, 2026. The Price of food articles (- 0.85%) and non- food articles (-0.22 %) decreased in March, 2026 as compared to February, 2026.

Fuel & Power (Weight 13.15%): - The index for this major group increased by 4.13 % from 147.6 (provisional) for the month of February, 2026 to 153.7 (provisional) in March, 2026. The Price of mineral oils (8.77 %) increased in March, 2026 as compared to February, 2026. The Price of electricity (-5.07%) decreased in March, 2026 as compared to February, 2026.

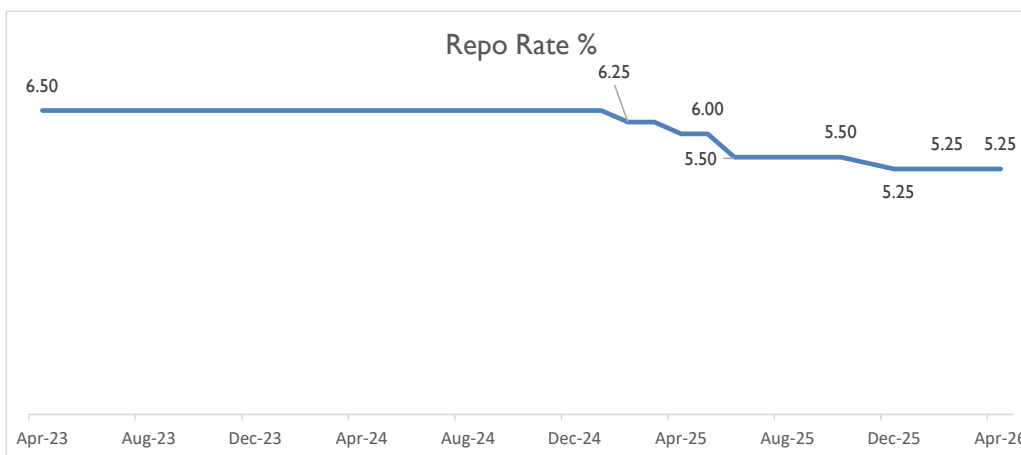
Manufactured Products (Weight 64.23%): - The index for this major group increased by 0.88 % from 148.2 (provisional) for the month of February, 2026 to 149.5 (provisional) in March, 2026. Out of the 22 NIC two-digit groups for manufactured products, 16 groups witnessed an increase in prices and 6 groups witnessed a decrease in prices. Some of the important groups that showed month-over-month increase in prices were manufacture of food products; chemicals and chemical products; basic metals; textiles and other manufacturing etc. some of the groups that witnessed a decrease in prices were manufacture of machinery and equipment; beverages; fabricated metal products, except machinery and equipment; computer, electronic and optical products and wearing apparel etc in march, 2026 as compared to February, 2026.





Source: MOSPI, Office of Economic Advisor

With effect from January 2026, the National Statistics Office (NSO) introduced a revised CPI series with base year 2024=100, drawing revised item weights from the Household Consumption Expenditure Survey (HCES) 2023-24. Year-on-year inflation rate based on All India Consumer Price Index (CPI) with base year 2024 for the month of March, 2026 over March, 2025 is 3.40%(Provisional). Corresponding inflation rates for rural and urban are 3.63% and 3.11%, respectively. On the monetary policy front, the RBI had cumulatively raised the repo rate by 250 basis points between May 2022 and February 2023, bringing it to 6.50%, where it was held steady through January 2025 to anchor inflationary expectations. With inflation moderating below target and growth requiring support, the RBI's Monetary Policy Committee (MPC) commenced an easing cycle in February 2025, delivering a cumulative 125 basis points of rate cuts through four reductions — 25 bps each in February 2025, April 2025, and December 2025, and a larger 50 bps cut in June 2025 — interspersed with pauses in August and October 2025. The repo rate currently stands at 5.25%, following the MPC's decision to hold rates unchanged at its April 2026 meeting.



Sources: CMIE Economic Outlook



Growth Outlook

The Union Budget 2026–27 sets out a quantitatively strong push to build resilient supply chains and develop next-generation industrial capacity. The record ₹12.2 trillion capital expenditure outlay is aimed at easing logistics bottlenecks and enhancing India’s cost competitiveness. Employment measures extend across both urban and rural India in one sweep. In cities and large towns, capex is channelled into “connectors” such as the seven proposed high-speed rail corridors and upgraded Tier-2 and Tier-3 infrastructure, thereby creating construction, logistics, and service jobs while cutting commute times. In smaller towns and villages, job creation is expected to be supported by mega textile parks, the Mahatma Gandhi Gram Swaraj Initiative’s push for khadi and handloom, training for tourist guides, and new waterways and coastal shipping. Together, these steps broaden the wage base instead of providing a short-term bump.

This domestic push is complemented by targeted measures to strengthen strategic supply chains. Dedicated rare earth corridors in Odisha, Kerala, Andhra Pradesh, and Tamil Nadu; customs exemptions for capital goods used in critical mineral processing and battery cells; and the India Semiconductor Mission 2.0 aim to pull manufacturing deeper into components and materials. If executed well, these measures could reduce import dependence in magnets, batteries, and chip inputs and lift the share of higher-productivity manufacturing jobs — thereby raising household incomes durably.

Alongside these domestic measures, India is also seeking to strengthen its external trade architecture through major trade agreements. The conclusion of the India–EU FTA negotiations mark a major strategic milestone, as it offers near-universal market access for 99.5% of India’s exports by value and integrates India more deeply into a USD 24 trillion economic bloc. By providing duty-free entry for key labour-intensive sectors, expanding services access, and establishing a mobility framework for Indian professionals, the agreement strengthens India’s export competitiveness, supports high-value job creation, and ensures a predictable, rules-based environment for long-term trade and investment flows.

In a similar vein, India–Oman Comprehensive Economic Partnership Agreement (CEPA)² has been framed as a comprehensive arrangement covering trade in goods and services, investment, professional mobility, and regulatory cooperation, with the objective of strengthening bilateral economic integration between India and Oman. Bilateral trade between the two countries stood at USD 10.61 billion in FY 2024–25, providing the economic basis for the agreement. Under the CEPA, India has secured 100% duty-free market access in Oman across 98.08% of tariff lines, covering 99.38% of India’s export value, thereby improving export competitiveness across sectors such as engineering goods, pharmaceuticals, agriculture and processed food, electronics, textiles, plastics, and gems and

² <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2213203®=3&lang=I>

The Comprehensive Economic Partnership Agreement (CEPA) between India and Oman marks a meaningful step forward in the economic relationship between the two countries. The agreement brings together trade in goods and services, investment, professional mobility, and regulatory cooperation under a single, coherent framework aimed at deepening bilateral economic integration.



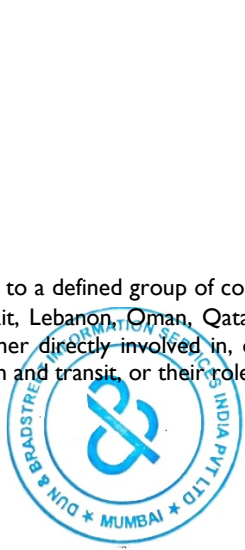
jewellery. At the same time, India has adopted a calibrated liberalisation approach by offering tariff concessions on 77.79% of its tariff lines, covering 94.81% of imports from Oman by value, while retaining safeguards for sensitive domestic sectors. The agreement also provides gains in services, with Oman undertaking commitments across 127 services sub-sectors, alongside improved provisions for professional mobility, including an increase in the Intra-Corporate Transferee ceiling from 20% to 50% and commitments for a defined category of Indian professionals. Overall, the CEPA is presented as a framework intended to support trade expansion, improve market access, and strengthen long-term economic cooperation between India and Oman

However, these gains remain exposed to external geopolitical risks. The escalation of the Middle East crisis represents an external shock for India, transmitted primarily through energy markets, logistics, and trade-linked business exposure. The Gulf–Levant II³ (GL II) economies account for around 15% of India’s merchandise exports and 21% of its imports, with trade concentrated in high-value categories such as mineral fuels, precious metals, and electronics; disruptions in this region therefore have an outsized impact despite its modest share of global GDP.

Export exposure is unevenly distributed across India, with risks concentrated in specific districts that serve as production hubs. Discretionary exporters, such as gems and jewellery firms in the districts of Surat, Jaipur, and Mumbai; apparel manufacturers in Tiruppur; automotive producers in Ahmedabad; and electronics assemblers in Kanchipuram and Kolar, are vulnerable to demand slowdown and order deferrals in Gulf markets.

At the same time, Perishable agricultural exporters, including grapes from Nashik, bananas from Solapur, and bovine meat from Ghaziabad, face acute risks from shipping delays and logistics disruptions. Dun & Bradstreet data show that over 4,500 Indian exporters and around 1,800 importers relied on the Strait of Hormuz trade route in 2025, exposing them to working capital stress, payment delays, and production interruptions, while, for import-dependent industries, delays in critical inputs raise the risk of temporary shutdowns and sustained energy price volatility amplifies margin pressure across manufacturing and services.

³ For the purposes of this report, the analysis is confined to a defined group of countries referred to as the Gulf–Levant II (GL-II). This group comprises Bahrain, Iran, Iraq, Israel Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. These economies are treated collectively because they are either directly involved in, or immediately exposed to, the current crisis through geographic proximity, security linkages, energy production and transit, or their role as regional trade and financial hubs



Key Growth/Demographic Drivers for Economic Growth

Government focus on infrastructure development

The infrastructure sector has received a strong boost in Budget FY'27, marked by a record INR 12.2 trn⁴ public capital expenditure allocation, reinforcing the government's focus on making assets more efficient and sustainable. The introduction of the landmark Infrastructure Risk Guarantee Fund aims to provide partial credit guarantees to lenders and revitalise private sector participation in large-scale projects. By lowering project risk premiums and easing borrowing costs, this mechanism is likely to help crowd in private capital and accelerate construction phase financing across the sector. The transport and logistics sector, in particular, will buoy infrastructure growth. Railways have received a substantial boost in allocation, which will help support the planned development of seven new high-speed rail corridors and a Dankuni-Surat DFC⁵, which aims to cut logistics costs and improve national connectivity. Moreover, the rollout of 20 new National Waterways, new ship repair hubs and a scheme to double the share of coastal and inland water transport from 6.0% to 12.0% by 2047⁶ will together build a greener, more efficient multimodal freight network. Urban transformation continues through targeted development of Tier-2 and Tier-3 cities – with populations over 0.5mn – alongside the creation of City Economic Regions, each supported by multi-year, challenge-based financing to establish new growth hubs and reduce pressure on metros. A broader ecosystem of reforms strengthens medium-term sector prospects. The government aims to scale domestic construction and infrastructure equipment manufacturing, reducing import dependence and improving execution capability in tunnelling, metro construction and road building machinery. The monetisation of CPSE assets will be accelerated through dedicated REIT⁷ structures, helping unlock liquidity for redevelopment and new project pipelines. Additional support flows through region-specific initiatives, such as industrial corridor expansion, and tourism development in cultural and Buddhist heritage zones will further reinforce construction demand.

Together, these measures will strengthen India's infrastructure ecosystem through higher public investment, improved risk mitigation tools and wider multimodal connectivity – creating a constructive environment for sustained growth in construction, logistics and urban development.

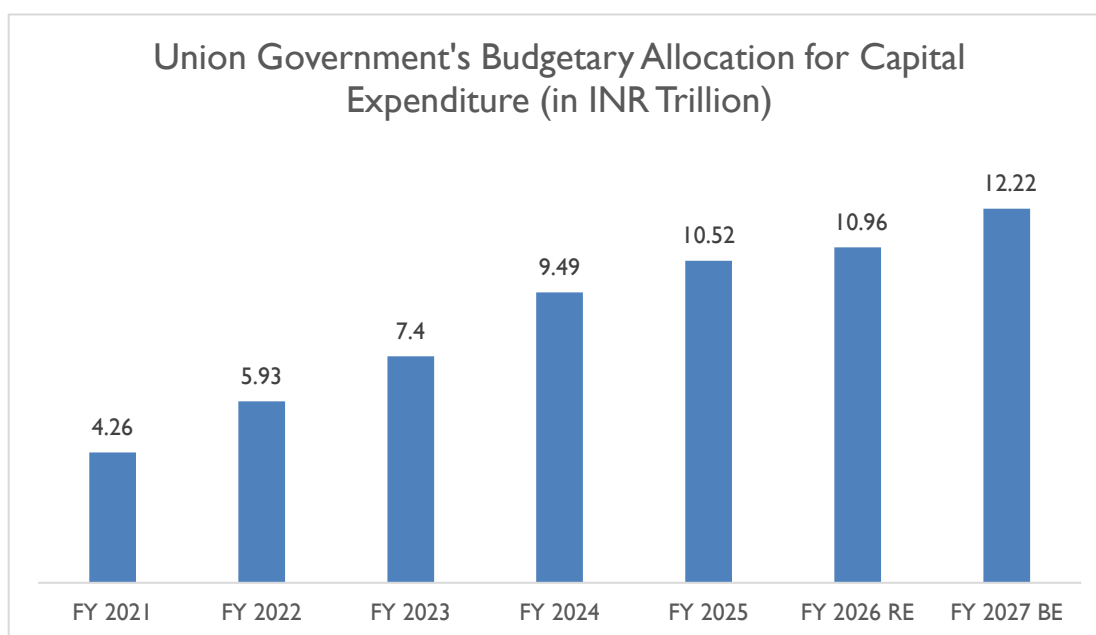
⁴<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2222521®=3&lang=1#:~:text=Reinforcing%20the%20role%20of%20public,productive%20capacity%20across%20the%20economy.>

⁵ <https://prsindia.org/budgets/parliament/demand-for-grants-2026-27-analysis-railways>

⁶ <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221817®=3&lang=1>

⁷ https://www.hindustantimes.com/real-estate/budget-2026-eyes-dedicated-reits-for-cpse-asset-monetisation-what-it-means-for-investors-101769942312710.html#google_vignette





Union Budget, Government of India
Note: BE (Budget Estimates) and RE (Revised Estimates)

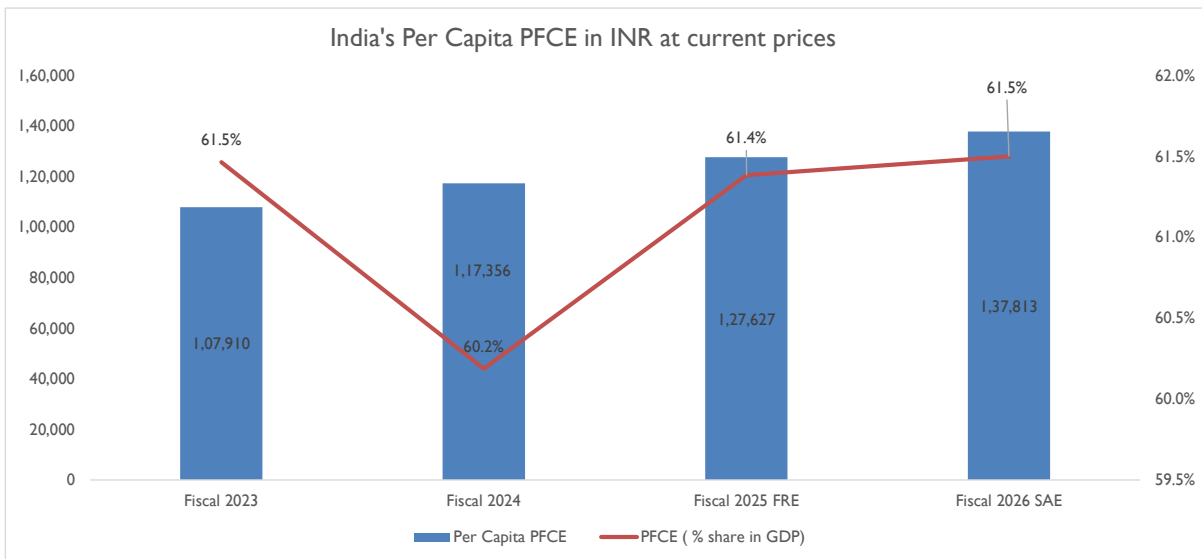
Development of Domestic Manufacturing Capability

The Government launched Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large-scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed at attracting private investment into setting up manufacturing units and thereby strengthen domestic production capabilities. The overall incentives earmarked for PLI scheme is estimated to be INR 2 trillion. If fully realised, the PLI scheme could add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

Domestic demand has traditionally been one of the key drivers of the Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by the Reserve Bank and other institutions point to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment, which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is perfectly captured by the private final consumption expenditure (PFCE) metric. The PFCE at current prices is on steady rise from FY 2022 onwards. Between FY 2015 and FY 2026, PFCE in India increased by nearly 2.5 times. Its share in GDP also increased from 58.1% to about 61.5% in FY 2026 (as per the first advance estimates).





Source: Ministry of Statistics & Programme Implementation (MOSPI)

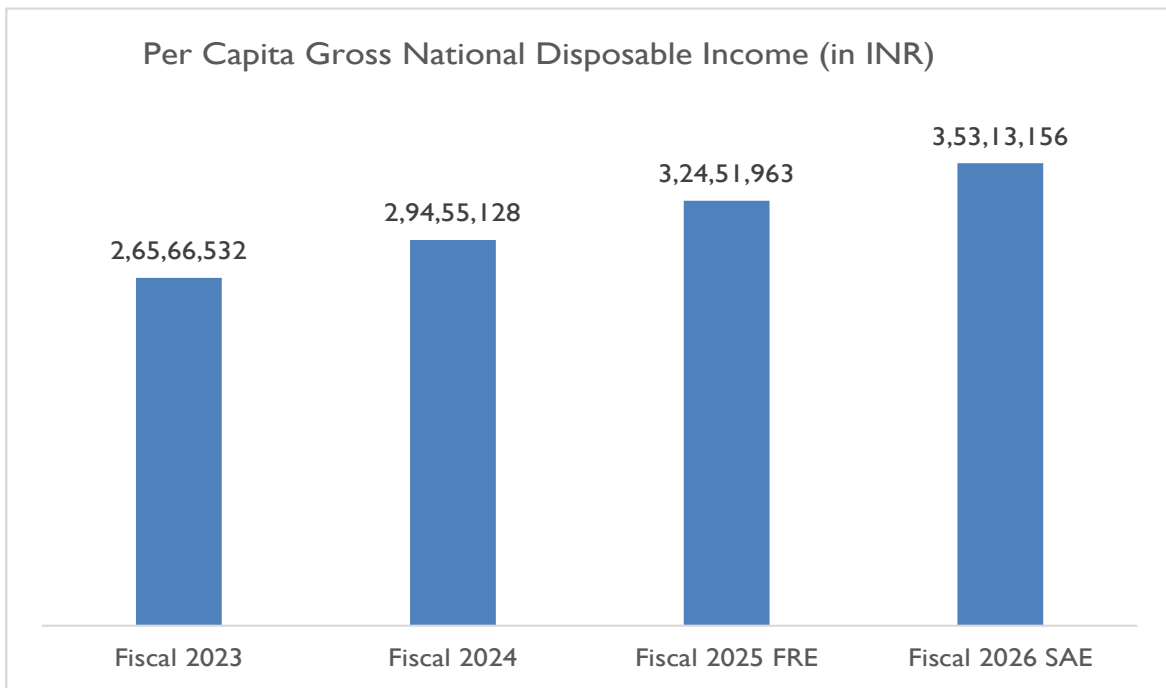
FRE is First Revised Estimate, SAE is Second Advance Estimate

There are two factors driving this domestic demand: first, the large pool of consumers; and second, the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 2047⁸. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.
- Consumer-driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO), India's per capita net national income (at constant prices) stood at INR 1,37,813 per person in FY 2026 against INR 1,27,627 per person in FY 2025 and INR 76,379 in FY 2018. This increase in per capita income has impacted the purchasing pattern as well as disposable income. The Gross National Disposable Income during FY 2023-26 has increased from INR 2,65,66,532 to INR 3,53,13,156.

⁸ As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakh is considered as middle-class households.





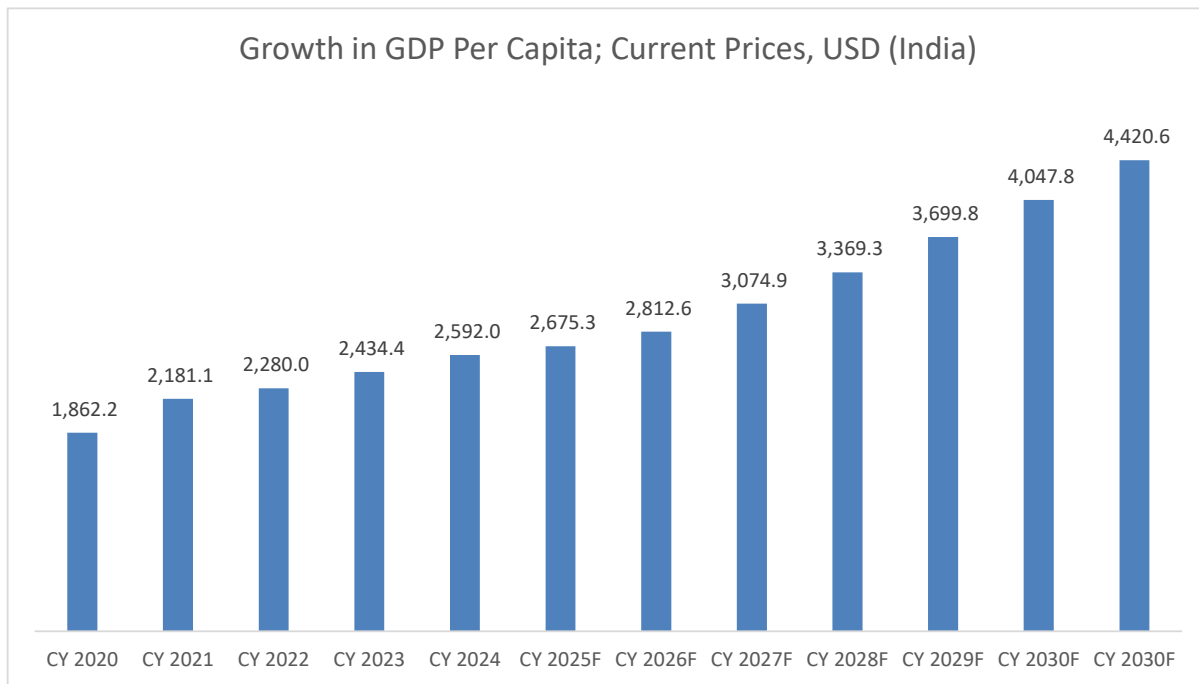
Source: Ministry of Statistics & Programme Implementation (MOSPI)
 FRE is First Revised Estimate, SAE is Second Advance Estimate

India's Per Capita GDP Trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.



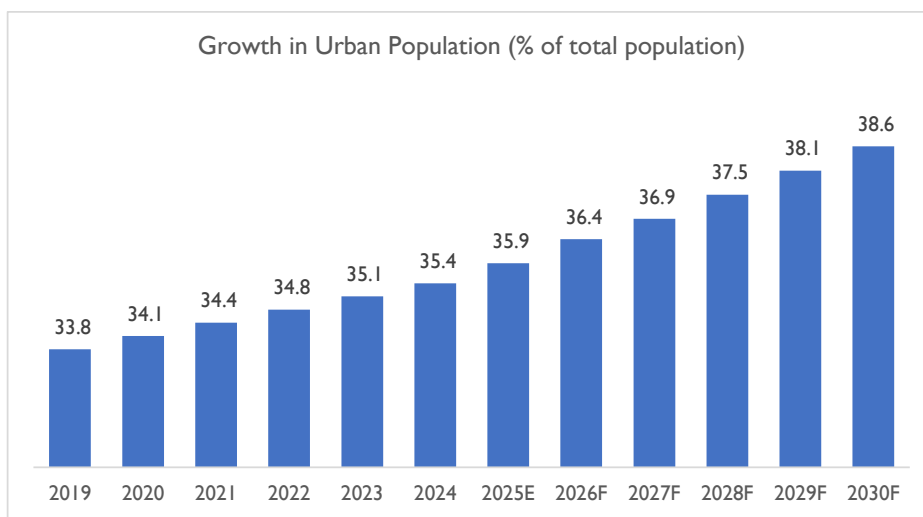


Source: IMF

From CY 2024 to CY 2031, India’s per capita GDP is projected to grow at a compound annual growth rate of 7.9%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Increasing Urbanization

As per the Handbook of Urban Statistics 2022, India’s urban population has been on a steady rise. Urban dwellers accounted for over 469 million in 2021 and are projected to rise to over 558 million by 2031 and further exceed 600 million by 2036.



Source: World Bank, ⁹ D&B Research and Estimates

⁹<https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart>

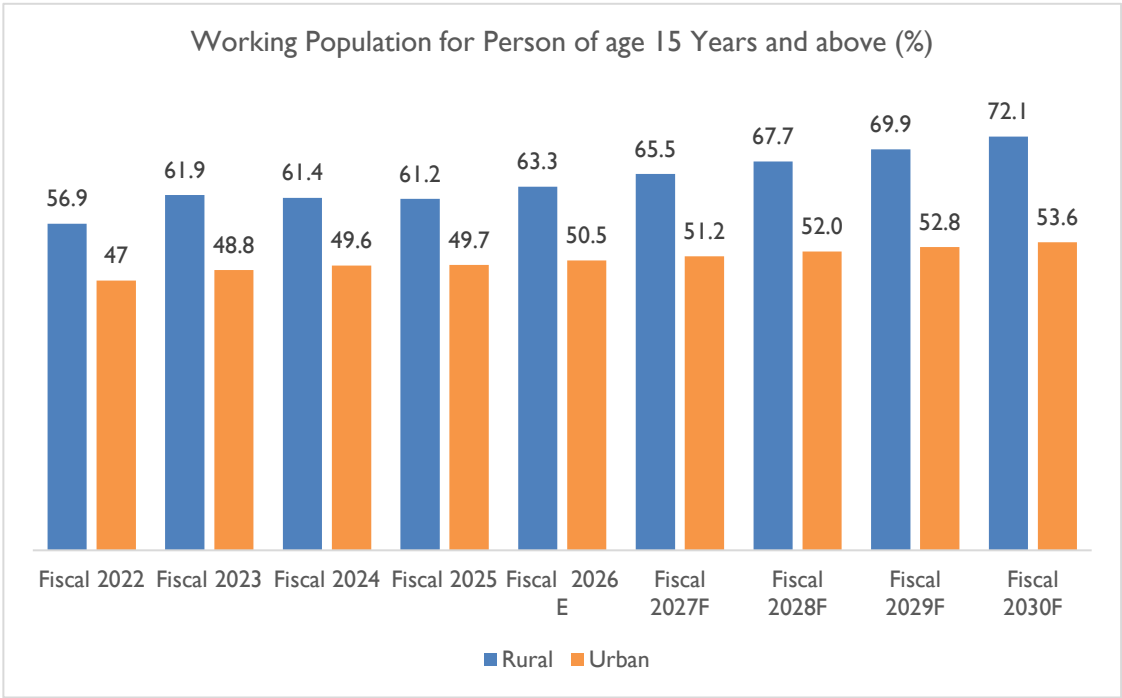


The share of urban population in total population has been quickly escalating. In 2019, 33.81% of the total population was urban. By 2025, it had reached 35.9%, showing an increase over a span of five years of about 2.10%. The share of urban population is further forecasted to cross 38.6% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernised, technology-driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirements.

Rural vs. Urban Working Population by Age Group

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In the case of the urban population, this growth is reflected in the increase from a share of 47% in FY22 to 49.7% in FY25, whereas in rural areas, it grew from 56.9% in FY22 to 61.2% in FY25.

This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.



Source: Periodic Labour Force Survey (PLFS) Annual Report, D&B Research and Estimates

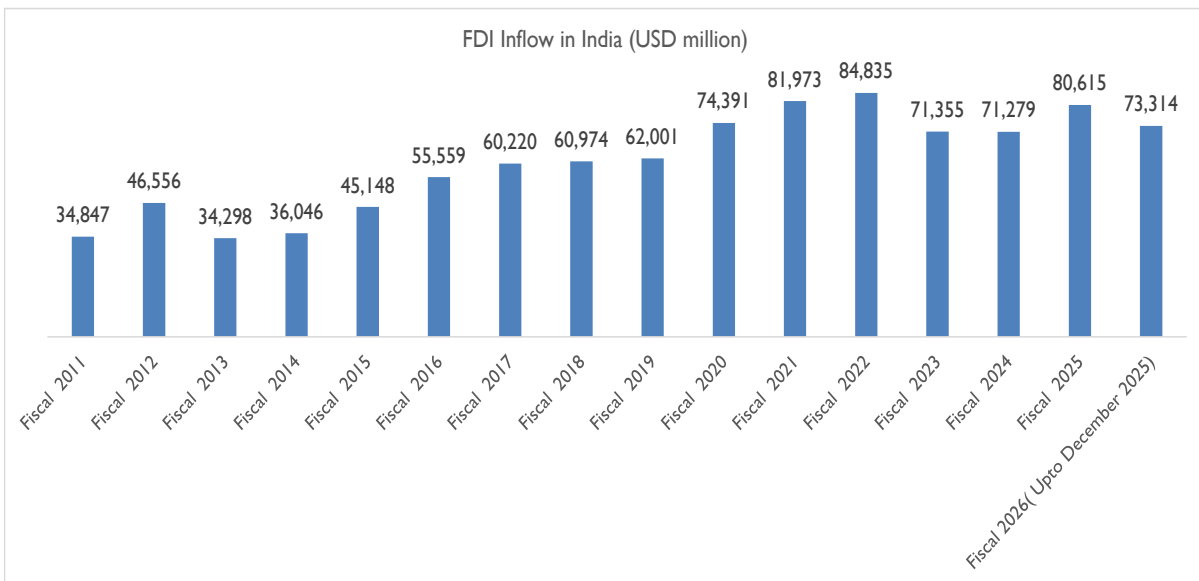
Note: 2025 refers to the period January 2025 – December 2025 and likewise for 2024, 2023 and 2022

In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these regions.

The dominance of the rural working population over its urban counterpart can be attributed to the labour-intensive nature of the agricultural sector, which ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

Foreign Direct Investment Trend in India

FDI inflows in India observed a steady increase from FY 2013 to FY 2022 while it witnessed a decline of 15% in FY 2023 and a decline of 0.1% in FY 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflows from April 2000 to December 2024. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System (NSWS), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses, along with sectoral measures and PLI schemes, supporting growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors has been simplified, with the Income Tax Act, 1961 has been amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.



Sources: Department for Promotion of Industry and Internal Trade



Indian Gems & Jewellery Sector

Overview

India's gems and Jewellery (G&J) sector is truly distinctive in its meld of rich cultural heritage, artisanal craftsmanship, and economic significance. Officially, it contributes around 7% of India's GDP and supports a workforce of over 4.5 million skilled and semi-skilled workers, according to the Government of India. This deep social and economic footprint reflects the sector's role in sustaining livelihoods across manufacturing hubs and rural artisanship alike.

Known globally for its design excellence and variety, the sector encompasses a broad export portfolio, including polished diamonds, gold and silver Jewellery, colored gemstones, medallions, and coins. India processes approximately 75% of the world's polished diamonds, as recognized by government bodies such as the Gem & Jewellery Export Promotion Council (GJEPC) under the Ministry of Commerce. This dominance reflects the country's unique value chain strengths from sourcing raw stones to high-value refinement and design.

Despite global acclaim, the G&J sector faces structural and external challenges. Volatile global demand, fluctuating precious-metal prices, and stringent regulations around sourcing transparency with increased policy oversight, test firms' resilience. Procuring reliable raw material sources remains a persistent concern, made more complex by reliance on imports of gold and rough diamonds.

Government policy interventions have been critical in supporting competitiveness and modernization. The GJEPC, set up under India's Ministry of Commerce in 1966, operates with a membership of thousands of exports firms and facilitates export strategy, skill development, and institutional infrastructure like Common Facility Centers in key hubs (e.g., Surat and Mumbai). These measures aim to help transform a predominantly MSME-driven, fragmented value chain into a more organized and export-ready sector.

In summary, India's gems and Jewellery industry remains globally respected for its craftsmanship, diversified output, and export orientation. While adapting to tightening regulations and shifting global demand patterns, it continues to benefit from government-led interventions aimed at skill building, infrastructure development, and policy facilitation ensuring the industry retains its competitive edge in an ever-evolving global market.

Key Segments

- **Gold Jewellery:** Gold has been long associated with Indians as a form of investments, a gift and wealth. There has been value created for ancestral gold, gifting gold and buying gold for festive occasions. This value created and instilled in many families and generations is a major driver of gold jewellery purchases. India ranks third globally in gold jewellery exports, with shipments worth USD 11.10 billion, representing about 9.1% of world exports. Despite intense competition from other leading exporters, India maintains a strong presence in this segment, supported by its traditional craftsmanship, wide product variety, and robust demand from markets



like the Middle East, the US, and Europe. Gold loans are another strong reason for investing in gold ornaments. The ability to pawn the wealth and bank upon and as a source of recovery from debt and financial troubles, gold is sought after though its prices are soaring high.

- **Cut & Polished Diamonds:** Diamonds are considered most luxurious gemstones, but however as an investment it is not most sought after, it is usually preferred to be chosen for a ring or a necklace and bracelet. It is often considered a sign of an elite or affluence. India holds the leading position worldwide, ranking first with exports valued at USD 13.70 billion, which accounts for 25% of global exports. This dominance is attributed to India's well-established diamond cutting and polishing industry, particularly in Surat, backed by skilled labour, advanced technology, and supportive government policies. This segment continues to be the backbone of India's gems and jewellery export basket.
- **Silver Jewellery:** Due to the surge in the gold prices and rate going up to INR 10000 and above for 1gm of 22 karat gold, the alternative chosen by most Indians is Silver. Silver is now looked up to as an alternate investment to gold as its price is also increasing but affordable to invest compared to gold. Also, Silver jewellery trend is doing well with the customers who can afford silver ornaments at much lesser cost compared to the former. India ranks second globally in silver jewellery exports, with a value of USD 1.17 billion, commanding 14.2% of global share. The country's rising share in this segment is driven by competitive pricing, innovative designs, and increasing demand from the US and European markets. Silver jewellery has also benefited from India's ability to adapt traditional designs to contemporary tastes.
- **Coloured Gemstones:** India stands at the fifth position globally, with exports worth USD 0.46 billion, representing 4% of global trade. While relatively smaller compared to diamonds and gold, the coloured gemstone segment is gaining traction due to India's expertise in cutting and processing, as well as the growing popularity of coloured stones in international fine jewellery markets. The gemstone containing jewellery is back in demand compared to the only gold jewellery. The colourful piece of jewel
- **Imitation Jewellery:** Imitation jewellery exports from India reached USD 0.14 billion, giving it a 1.4% share of the global market, with India ranked 12th globally. Though modest in value, this segment plays a critical role in catering to price-sensitive international markets and is supported by India's low-cost manufacturing base and trend-responsive designs. The most sought-after jewellery affordable by even the lower strata of society are these imitation jewellery. There are many domestic brands creating imitation jewellery replacing the nickel-based ones with copper and brass.
- **Synthetic Diamonds / Stones:** India is the global leader in synthetic diamonds, with exports worth USD 1.40 billion, capturing 30.8% of the world's market share. This strong position reflects India's rapid adoption of lab-grown diamond technologies and its cost-effective production processes. With increasing global acceptance of synthetic diamonds, this segment has emerged as a high-growth area within India's gems and jewellery exports. The emergence of lab grown diamonds is a new trend in the diamond jewellery which is driven by the lesser cost compared to the naturally occurring ones are being sought after younger generation.



Key attributes

There are many classifications on the variety of jewellery offered by the Indian Gems & Jewellery Sector:

Based on the type or style of jewellery, there are few traditional variants such as:

- **Kundan:** The Mughal era in India patronized the Kundan jewellery which they brought along from Persia. However, the art underwent fusion of Persian and Indian culture to result in the Kundan jewellery. The emperor Akbar and his successors preferred gemstones that they wore jewellery and used gemstones to be embedded in the daggers which they carried. The kings and queens of the period got jewellery made for themselves including the pieces for turban, earrings, and necklaces of this kind. The Rajput kings also liked the artistic jewellery and adopted the same into their lifestyle. The popularity and the designs spread across Delhi, Punjab regions and even farther away. Till date even the affluent communities across Punjab, Rajasthan and Gujarat prefer Kundan jewellery. The jewellery includes the embedment of uncut diamonds in the gold foil. The diamonds and gemstones are added into the structure made of lac resin which also acts as a cushion.
- **Polki:** Similar to Kundan Jewellery, Polki jewellery has the history dating back to Mughal period where the influence of Indian craftsmanship on Persian jewellery making resulted in Polki jewellery. The difference between polki and Kundan is that the former type of design uses more uncut diamonds and have less lustre compared to conventional diamond. Polki diamonds are treated to give a shine and is done by using the fillers in making of the jewellery.
- **Meenakari:** Another Mughal era patronized jewellery format which involves using enamel on metal surface with patterns and colours. Meenakari by its meaning stands for the art of enamelling. It finds its roots in Persia. In the native language of Persia, Meena word means heaven or azure colour of heaven, It was initially used in the period of Akbar's reign to decorate the walls, ceilings, and thrones of the emperor. It uses gold or silver to craft the jewellery and is known for vivid hues and attractive patterns. The art flourished in Jaipur as Raja Maan Singh invited few skilled enamel artisans from Lahore. The art of Meenakari jewellery became quite popular in the city of Jaipur which later spread to surrounding cities. However, glass enamelling was practiced in the city of Pratapgarh. This design art form was also introduced in Lucknow in the 17th century by Persian Artisans in the court of Avadh. Enamelling included the application of enamel prepared by powdering colour stones and glass. But in the recent means of manufacturing, chemicals such as Ferrous salts, cobalt oxide, copper and other metallic salts are used in the enamelling process. The widely found patterns in the meenakari jewellery are of flowers and foliage and few animals such as elephants,
- **Jadau:** An ancient form of jewellery making technique where artisans use various gemstone to embed in softened gold structure. Here gold threads or wires and lac which holds the structure and the stones.



- **Temple Jewellery:** It evolved during the Chola and Pandya era around 9th century and was inspired by the temple deities incorporated in the temple architecture. The Chola rulers patronized this jewellery art form inculcating Hindu mythological gods and goddesses. This jewellery making process involves intensive and meticulous process using wires to make metal frames and embed precious stones into wax mould. Gold leaf is then applied to the structure where the molten gold has been poured to the mold. This type of jewellery is preferred for wedding and festive occasions in parts of Southern India.
- **Navaratna:** In the ancient era, nine gemstones which were considered to represent nine planets, and nine deities accordingly were used to make jewellery such as Amulets for kings. It was believed that wearing the navaratna amulets would mean the invoking cosmic powers of the celestial bodies. The Nine gemstones used in the jewellery are Ruby, Pearl, Emerald, Red Coral, Yellow Sapphire, Diamond, Blue Sapphire, Hessonite and Cat's Eye.
- **Thewa:** This ancient jewellery art came into existence in city of Pratapgarh, Rajasthan in the year 1707. It was made by the court artisan and goldsmith Nathu Lal Sonewal. It was later patronized by the Maharaja Sumanth Singh in 1765. This art form became popular with the British women later in India who appreciated and took the jewellery back to Europe. This jewellery is made using 23 karat gold sheets on which patterns usually mythological, religious, or key events are carved. The carving is set on glass or mirroring objects. The art is quite labour intensive and takes up to a month to create a piece of jewellery. The pattern used in the design has been modified to adapt to the modern times and is sought after as it makes use minimal amount of gold compared to the other form of jewellery.
- **Filigree:** This is one of the oldest ancient types of jewellery dated at least 5000 years. It originated from the Middle East Region and has been traced to Egypt Greece, Italy, and Rome countries. Jewellery in this format s made using Gold, silver, copper, and brass too. It involves intricate work of metal where metal in forms of fine wires or threads and are soldered. Various pieces of jewellery such as necklace, earrings, bracelets are made.

Based on the jewellery type worn on the body, the jewellery sector offer various variants:

Headwear: Maang teeka, Matha Patti, Passas, Jhoomers- These ornaments are associated with wedding festivities and worn in various designs and patterns across the country by various communities and are called by various names.

Earring: Stud, Jhumka: These ear wear jewellery is designed in numerous sizes, shapes and lengths. The designs of earrings are made to suit the occasion of wear.

Neckwear: Long chains, short necklaces, chokers, layered sets. Kundan, polki, Meenakari, Temple jewellery is sought after for the traditional look trending in the industry. These jewellery pattens provide a luxurious look making it most suitable for weddings.



Arm wear: Bangles, armllets, bracelets, rings – Most modest, traditional jewellery pieces are sought after in gold, platinum and sometimes embedded with gemstones and diamonds too.

Footwear jewellery (anklets & Toe rings)– Usually worn by most women, these jewellery pieces are preferred in silver and are also made available by jewellers in Gold as well.

Contribution to Economic Growth

The Gems and Jewellery sector holds a pivotal position in India’s economy, contributing an estimated 7% of the nation’s Gross Domestic Product (GDP) and employing more than 5 million workers. Recognized as one of the fastest-growing industries, it is both highly labor-intensive and export-oriented, playing a vital role in supporting India’s manufacturing and services ecosystem.

Given its significant potential for value addition and global competitiveness, the Government of India has designated this sector as a priority area for export promotion. To strengthen India’s leadership, the government has implemented a series of measures including skill development programs, technology upgradation initiatives, and policy frameworks designed to position “Brand India” as a global leader in gems and Jewellery. Notably, the sector benefits from 100% Foreign Direct Investment (FDI) under the automatic route, encouraging international players to participate in the domestic value chain.

India has emerged as the world’s largest cutting and polishing hub for diamonds, supported by both a deep talent pool and cost-efficient operations. The Gems and Jewellery Export Promotion Council (GJEPC) reports that India processes approximately 75% of the world’s polished diamonds, reinforcing its dominance in the global value chain. In FY 2025, India’s cut and polished diamond exports reached INR 1,13,407 crore (USD 13.29 billion), reflecting the sector’s crucial role in generating foreign exchange earnings despite global headwinds.

Alongside diamonds, India is also the largest consumer of gold globally, driven by cultural traditions, weddings, and investment demand. This dual strength, being both a global consumer and processor, has positioned India as a natural hub for the Jewellery market. The combination of low production costs, skilled artisans, and proactive government support continues to enhance India’s stature as a trusted supplier of gems and Jewellery in international markets.

With strong policy support, a highly skilled workforce, and sustained global demand, the Indian gems and Jewellery sector is expected to remain a cornerstone of the country’s exports and employment generation in the years to come.

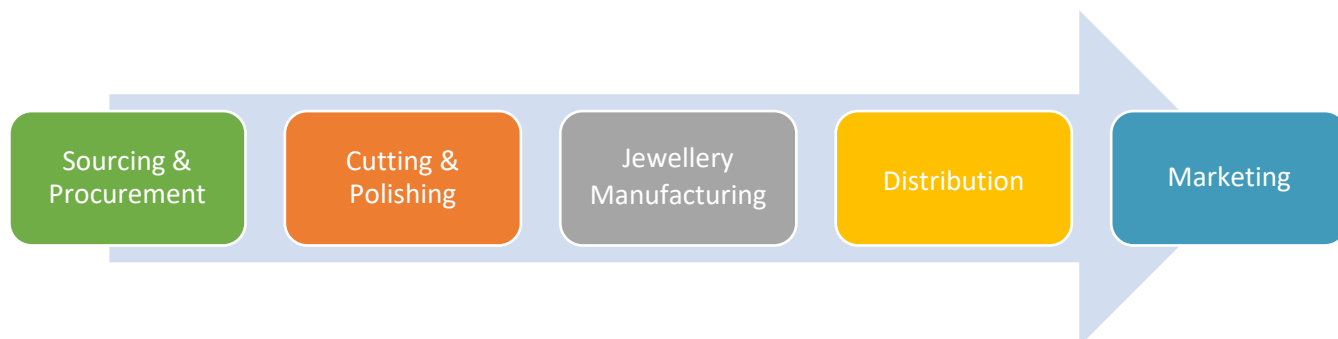
Industry Value chain and Key stakeholders

The value chain for the gems and jewellery industry begins with that of extraction of raw materials, i.e. gold, gems such as Diamond, precious metal etc. till they are manufactured into pieces of jewellery.



The Indian jewellery market is majorly into processing and manufacturing jewellery with skilled artisans across key manufacturing hubs in India.

The value chain involves the following:



Sourcing & Procurement

Gold is sourced from a combination of Domestic and imports from various countries for raw gold and semi-finished products. Gemstones such as emeralds, garnets, sapphires, moonstones, rubies and to some extent diamonds are sourced from the country as well. India imports diamonds owing the insufficient consistent supply internally. Other precious metals which are imported are platinum and silver.

Gems & Precious Metals	Indian Reserves	Import Destinations
Gold	Hutti Gold Mines	UAE, Switzerland, UK, Singapore
Diamond	Panna Mines	UAE, Belgium, Hong Kong, Angola, Botswana, Canada
Silver	Sindesar Khurd Mine, Rampura Agucha Mine, Zawar Mine, Rajpura Dariba Mine	UAE, UK, Indonesia, China
Platinum	Boula-Nausahi Mine, Sittampundi Complex	Tanzania, U.A.E, Indonesia, U.K, Italy
Gemstones	Panna & Golconda Region (Diamond), Aravali Range (Emerald, rubies, aquamarine) Karnataka, Tamil Nadu (Sapphire, Moonstone, Iolite, Garnet)	Zambia, Tanzania, Brazil, Thailand



Procurement:

The imports are procured by companies or jewellery manufacturers through government authorized entities which hold essential licenses from the regulatory authorities such as Directorate General of Foreign Trade. These authorized entities include Gems & Jewellery Export Promotion Council (GJEPC) which is an apex body overlooking India's Gems & Jewellery export since 1966. Importers of Precious metals, stones and jewellery are expected to obtain:

- Importer-Exporter Code (IEC) from DGFT,
- Registration of Business
- GSTIN (Goods and Services Tax Identification Number)
- BIS License for jewellery Business
- Register with India International Bullion Exchange (IIBX) -especially for raw gold imports which are usually allowed to be imported by Govt Entities such as RBI and Banks.

Cutting & Finishing

Gem cutting also known as Lapidary, is a specialization of Indian Gems & Jewellery. Various regions across the country specialize in processing (cutting & finishing). For instance, Diamond is polished and processed in Surat, Jaipur houses colored stones cutting and finishing industries. Numerous skilled and semi-skilled professionals are employed. Mumbai and Andhra Pradesh are also known for gemstone cutting and polishing. Gold jewellery is worked in cities such as Rajkot, Ahmedabad, New Delhi, Kolkata, Bangalore, Mumbai to design and finish. The process of cutting and finishing includes

Assortment & Marking – Craftsmen initially sort the stones based on the size and quality. The stone is marked to indicate the cut and removal of unnecessary material.

Planning & Preparation – The cutter plans the type of cut to enhance the look of the gem and is later cut by the diamond edge blade as marked earlier.

Preforming– Stone is further shaped to suit the design and is later put into a temporary holder called dop to enable easy handling in the next stages.

Faceting - In this step, specialized gemstone faceting machines are used to cut the stone with many facets

Polishing – The stone is then polished to give a lustrous shine and brilliance.

Jewellery Making

While the above process works for gemstones, Gold has a different process. The 24- carat gold or the 22-carat gold is used to make jewellery. As pure gold is soft to be directly used to make jewellery, hence alloys are added to make 18k and 14k gold. However, 22 karat is widely used to make gold ornaments which are traditional and



include heavy work. The alloy is made with metals like copper, silver or zinc to make it strong. The alloy is then melted at high temperatures and hence gold is now transformed into molten form. The next process would be pouring the molten gold over the mold created by jewellery designers using resin. Later the skilled artisans assemble the cast components which are polished and finished to remove imperfections and give a lustrous shine. In the last stage is the stone setting and other surface treatments. The quality check is the last point before the jewellery

Distribution

Jewellery pieces prepared and inspected are prepared for dispatch through various means. It is usually bought by wholesalers who buy large volumes of pieces and sell it to retailers. On the other hand, large chains of gold stores directly buy from the manufacturers and distribute it to their stores. There are means such as retail Middlemen and Commission Agents. These individuals or units connect manufacturers to retailers while earning a percentage on the sales of the jewelers. Recent channels of jewellery sales are also happening through Online B2B marketplace such as Amazon and eBay.

Marketing:

The marketing of jewellery pieces depend on the physical presence of the retailer and online presence on social media platforms. The trust built by the brand over the years with offline, online and in -store advertising along with collection of jewellery offered determines the consumers' loyalty. In the past few years, collaboration with brand ambassadors, creating ads targeting consumers emotions are working a means to build or engage potential customers. Jewellery retailers are also selling jewellery through online marketplaces, including their own website. High end customers prefer having personal shoppers and at their residences. Retailers also offer customers to buy from selected products which are brought home. There are other types of purchases which happen through websites which are sought by consumers who plan to buy for festive occasions and start saving in advance. Schemes offered with monthly payment plans to buy gold and other jewellery is often sought by urban households of middle or upper middle class.

Jewelers offer variety of collections and even take customized orders for different pieces of jewellery. Stand-alone retailers or small neighborhood jewelers are usually preferred for this reason and cater to specific likes and demand in terms of costs, design and weight. Large retailers with chain stores offer gold, diamond, platinum and silver jewellery and articles in the same store catering to multiple requirements of customers. Even large retailers often provide the option of customization to attract and retain customers. Discounts, festive sales and slashing of making charges and other costs drive customer footfall to stores and thus help increase sales.



Key Stakeholders:

Stakeholders in the Indian Gems & Jewellery sector include Government Bodies such as Ministry of Commerce, Gems and Jewellery Export Promotion Council, Large retail Brands such as Tanishq, Malabar Gold & Diamonds, Jos Alukkas etc., MSMEs, family jewelers, artisans, and Gems & Jewelers.

Ministry of Commerce

The ministry of Commerce under the Government of India enables the growth, promotes exports, prepares policies and strategies, developing skill development programs etc.

Gems and Jewellery Export Promotion Council

It is a premium body under the Ministry of Commerce which emphasizes helping the sector grow through increasing exports. It helps promote Brand India in the Global Gems & Jewellery sector, connecting Government and trade related activities.

Large Jewellery Retailer

Large retail chains such as Tanishq, Malabar Gold & Diamonds, and Kalyan Jewelers have grown rapidly across urban centres and are steadily expanding into tier-2 and tier-3 cities. These stores offer hallmark-certified jewellery, transparent billing, buyback policies, and wide design assortments, enhancing consumer trust. Organized chains can leverage strong branding, modern retail formats, and economies of scale.

Unorganized, Family Jewelers

Comprising small family-owned shops and local goldsmiths, dominate a large share of India's jewellery market, particularly in tier-2 and rural regions. These outlets rely heavily on long-standing trust and community relationships, with customers often returning to the same jeweler across generations. They cater to customized designs and allow price negotiations, which appeal to traditional buyers.

Qualitative Insight on Manufacturing Landscape for Kundan, Meenakari and Polki jewellery market

Kundan Meenakari and Polki jewellery was ancient handicraft jewellery known from as early as the era of Rajput and Mughals. The Mughals brought the art along with them and the jewellery form found an Indian method which resulted in these jewellery. These jewellery predominantly were liked by the emperors and their subjects which found extensive applications other than jewellery. Diamonds uncut and in the natural form were used in the making of Kundan and polki jewellery. They also included gemstones as per the preference of the designs by the rulers. It is said to have been encouraged by the Mughals and later liked, adored by the royal families.

Kundan jewellery: Kundan means “highly refined gold” which indicates the use of 24 carat gold i.e. which is much softer in nature, easy to mold and modifying crafting the jewellery. It is a 4-step process with first step being the making of the structure is made with golden strip. The art of making these jewelries have been passed down



generations to generations and are being made by the families of these artisans. Traditionally, there were various people working on each stage or process. The artisans called Chiterias were part of design team creating the desired design of jewellery pieces. The other artisans called Ghariyas were involved in engraving and last but not the least were the goldsmiths or Sunars who worked on the gold framing. These pieces of jewelries make use of gemstones such as diamonds, emerald, sapphire and rubies. The Kundan jewellery was much heavier earlier and has been reducing the weight by using lighter stones and designs. The art of making Kundan jewellery became famous in regions other than Rajasthan and moved to Gujarat, Punjab, Delhi, Lucknow and Bihar. In few of these regions, the Kundan jewellery making got transformed with introduction of silver.

Modern approach has found its way through and now these jewelries are made in factories due to a huge demand for these traditional artistic jewellery. The use of machines in each process has ensured that the demand for the Kundan jewellery is met as the traditional methods take longer turnaround times than jewellery manufactured through modern methods. The jewellery is in demand for bridal and even everyday occasions as it brings out a royal look or luxurious feel when worn. Today, Kundan jewellery is paired with wedding festivity's function such as Sangeet, Pheras or muhurat along with social gatherings such as Cocktail parties, engagement etc.

Manufacturing process

The process of making Kundan jewellery pieces are as follows:

Ghadayi – The process of making pieces with golden strips and a mold like model is prepared. Later the strips are cut, coiled and shaped to prepare a skeleton frame of the jewellery piece. This is one of the most important steps to establish the foundation of the piece. The frame of the jewellery thus created is known as ghaat.

Khudayi- This step includes etching the outer surface with designs and patterns as per the sketch of the intended jewellery. The structure is then filled with gold or a type of wax called lac and engraved in this process. This step is also called Kundan setting.

Meenakari - Meenakari is the process of decorating the jewellery piece with natural colours. The word Meenakari stands for Meena meaning enamel or color and kari meaning. This process alone has been reason for evolution of Meenakari jewellery.

Jadai – The stones are filled into the spaces which were earlier made with gold strips whose frame or structure was colored. This completes the preparation of the Kundan jewellery.

Polki jewellery- It also has a similar history rooting from Mughal Era with major difference being that only raw uncut diamonds are set into gold jewellery created by the jadau process. As in the making of Kundan jewels, a base is designed with gold being drawn into strips and creating a backbone for setting the diamonds. Diamonds are sources as per the design to suit it. The background is then made ready by the Meenakari method and is preferred rarely as the diamonds are the centre of attraction. The pieces with the set diamonds are brought together and then polished to give a lustrous look.



The manufacturing process is still done in traditional settings and even in factory settings. Jaipur which is historically known for the manufacturing of Polki and Kundan jewelers. It is still the traditional hub; however, the manufacturing processes are spread across India such as Delhi, Bikaner, Kolkata, Ahmedabad,

The manufacturing setup in the modern methods uses the same four steps but is made with help of machines. However, the last step, i.e. Jadau the process of setting stones in the jewellery, is still done by artisans.

- The first step uses rolling machine to roll gold sheets into the similar way to prepare the structure for the Kundan jewellery. There are also wire rolling machines that roll gold sheets into wires which are later used in making of pieces of the jewellery.
- The second step includes use of jewellery casting machines where wax-based designs of the jewellery is prepared, it is allowed to harden and then filled with molten gold to create the desired jewellery piece. Hydraulic dies are used for pressing dies and shapes into the jewellery as the final design expected.
- The final stage of finishing i.e setting of stones is done by hand.

Meenakari Jewellery:

The meenakari process has turned into a complete jewellery design collection. The process of crafting this variant of jewellery is made using similar methods such as:

- **Khudai Process:** The metal chose i.e either gold or silver is engraved in the desired design to set the uncut diamonds. The metal in the sheet format is moulded and casted and is considered the basic material. The sheet is pressed on the mould of the desired pattern created which in turn creates and embossed design is created. This process is created by the artisan called Naqqash (or designer) and by the goldsmith (or Sunar).
- **Meena Bharna:** The powdered glass made traditionally with mortar and pestle are mostly used as enamel. The enamel can be of many colours and various patterns are created in this process. As per the ancient method of crafting, pomegranate seeds were crushed and mixed with water to give the lustre to the enamel solution. The application of enamel is done by an artisan called meenakar who uses thin needle spokes within the engraved pattern.
- **Meena Pakai:** High-temperature firing process stands for the heating of the enamelled object at high temperatures using coil of domestic heater. This is to ensure the fusion of the base metal with enamel applied. By this procedure all the colours are filled in by applying heat.
- **Ghilai Process:** The piece of jewellery is filled to enhance the metal lining and is given finish by boiling the jewellery piece in an acid to provide lustre.

The commonly used colours used in the meenakari process or in the making of meenakari jewels are red, green, blue and white. When gold is used as base material, it holds most of the colour,



whereas when the silver is used pink, green and blue colours are held well. In recent developments, the art of Meenakari is utilized in the making of wall decors, bowls and jewellery boxes. It is preferred by jewellers who want to create contemporary designs as it blends ancient art form with modern touch.

Modern Tools used in the Kundan, Meenakari and Polki jewellery manufacturing:

Computer Aided Design (CAD)

The design software available in various models are used to create designs with precision and customization. The software is used along with CAM i.e. computer aided manufacturing which converts the design created on the software to produce jewellery through automation. The jewellery production is usually made through 3D printers, CNC machines etc.

Lost-Wax Casting:

As per the traditional process of manufacturing, the casting stage is enhanced with the wax models created through 3D technology for very creative designs made for gold and silver. The wax models are made using Wax injectors, burnout kilns, centrifugal/vacuum casting machines.

Laser Machines:

Laser technology is used in the cutting of diamonds into suitable shape, engraving jewellery and carving the metals in sheet or mould format. The laser techniques are also used in welding of delicate joints to make it look like a handcrafted design.

Gold plating & Electroforming

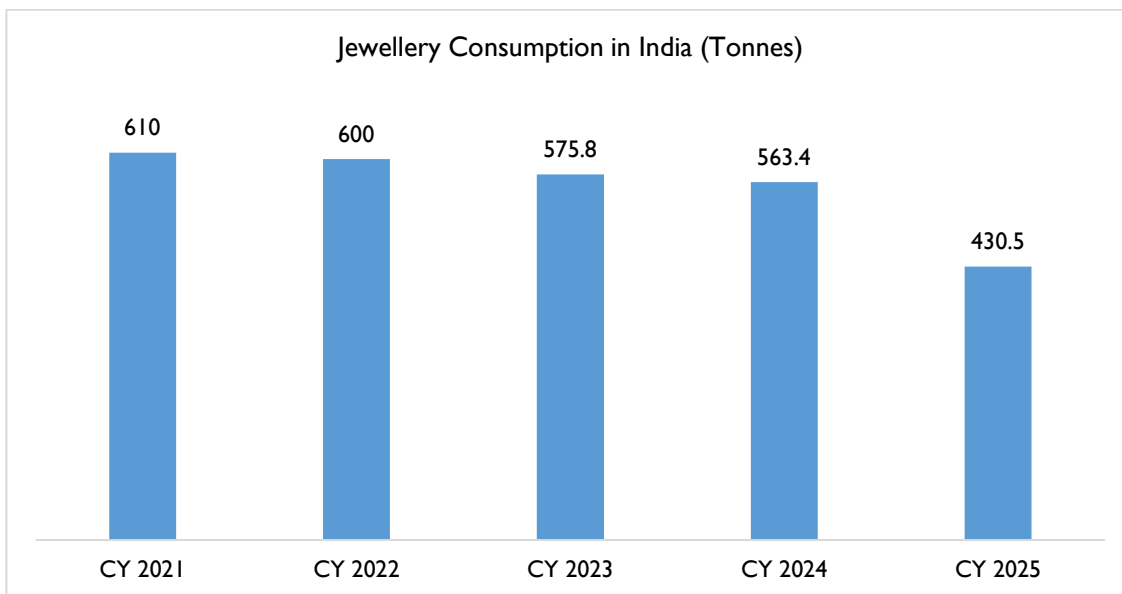
Gold plating is the process of adding thin layers of gold to provide lustrous finish and enhance durability. This process is done through electroplating, which can be used in plating other metals such as silver and rhodium to jewelleryes. On the other hand, Electroforming is used to coat metals through electrolysis process.



Gold Jewellery Demand Scenario in India

Annual Consumption Pattern

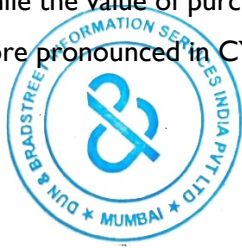
India's gold Jewellery consumption has displayed a steady decline over the past four years, moving from 610 tonnes in CY 2022, 575.8 tonnes in 2023, and further down to 563.4 tonnes in CY 2024, and 430.5 tonnes in CY 2025. This translates into a cumulative drop of about **29.4%** over the period, with a notable 2% decline between CY 2023 and CY 2024 and a sharp 23.6% decline between CY 2024 and CY 2025. The downward trend highlights how the market has been reshaped by both economic conditions and shifting consumer preferences, even though gold continues to hold strong cultural significance in India.



Source: World Gold Council

One of the primary reasons for this decline is the sustained rise in gold prices. With global and domestic prices hitting record levels through CY 2022 to CY 2024 and remaining elevated in CY 2025, affordability has been severely affected, especially in rural regions where gold demand is traditionally the strongest. While urban households have managed to absorb some of the cost pressures, many consumers either postponed purchases or opted for lighter designs, reducing the tonnage of gold bought. The sharp decline observed in CY 2025 further indicates that prolonged high prices have started to significantly suppress demand across both rural and urban segments.

Consumer preferences are also evolving. Younger buyers are increasingly prioritizing lifestyle products and alternative luxury purchases over heavy traditional Jewellery. Moreover, investment options such as exchange-traded funds (ETFs) and Sovereign Gold Bonds (SGBs) have gained traction, diverting a share of demand away from physical Jewellery. Even among Jewellery buyers, the shift towards lightweight, contemporary ornaments has become more prominent. This ensures that while the value of purchases remains high, the actual quantity of gold consumed is shrinking, a trend that became more pronounced in CY 2025.



Macroeconomic and policy factors have also contributed to the decline. Inflationary pressures and relatively slower rural income growth have constrained disposable incomes in recent years, directly impacting gold affordability. On top of this, high import duties and currency fluctuations further raised domestic gold prices, discouraging large-volume purchases. These factors, combined with consumers' need to prioritize essentials, have led to subdued Jewellery demand, especially in 2023 and 2024, with conditions worsening in CY 2025. Cultural demand remains resilient, with weddings and festivals continuing to drive purchases, but the average size of these purchases has come down. Families are increasingly opting for smaller, more modernized Jewellery pieces instead of large traditional sets, which reduces overall consumption volumes while keeping expenditure levels steady or higher due to elevated prices.

Overall, the decline in tonnage highlights a structural shift in India's gold Jewellery market. The 2% year-on-year fall in 2024 reflects a transition towards more value-driven demand, while the sharp contraction in CY 2025 signals heightened stress in the market due to affordability constraints. Even as fewer tonnes of gold are being consumed, the overall market value has grown, supported by soaring prices. This demonstrates both the cultural resilience of gold in Indian households and the evolving reality of affordability constraints. Going forward, India is expected to remain one of the largest markets for gold Jewellery globally, but the emphasis will likely remain on smaller volumes with higher-value purchases, marking a transformation in consumer behaviour and market dynamics.

Historic Growth Trend

The historic growth trend of Jewellery consumption over the past three financial years reflects a period of consistent contraction. In CY 2022, the industry recorded a decline of 2%, suggesting an early signal of weakening consumer demand. This downturn was further exacerbated in CY 2023, where the growth rate sharply declined to -6%, marking the steepest fall in the observed period.

The contraction in CY 2023 can be linked to factors such as reduced discretionary spending, volatility in gold prices, and broader economic challenges that weighed heavily on consumer purchasing power. However, by CY 2024, the decline moderated back to -2%, indicating some degree of stabilization, albeit still within negative growth territory. This trend was sharply disrupted in CY 2025, where the market witnessed a significant decline of **-23.6%**, marking the most severe contraction in the entire period.

From an analytical perspective, the data highlights that the Jewellery sector has been under sustained pressure, failing to regain positive momentum across consecutive years. The sharp dip in CY 2023 points to a particularly challenging period, potentially caused by macroeconomic uncertainties or a shift in consumer preferences away from traditional Jewellery purchases. The steep fall in CY 2025 further underscores intensified affordability constraints and a possible shift in demand dynamics.

The return to a milder decline in CY 2024 had suggested that while consumption pressures persisted, the sector may have been stabilizing. However, the sharp contraction in CY 2025 indicates renewed stress in the market,



highlighting the sensitivity of gold Jewellery demand to price surges and economic conditions. The trend underscores the need for Jewellery businesses to adapt their strategies by focusing on innovation, affordability, and digital retail channels to stimulate demand in a challenging market environment.

Gold Consumption in India: Seasonal Demand Trends

India's gold Jewellery demand follows a well-defined seasonal cycle, closely linked to weddings, festivals, and rural income patterns. Demand typically peaks twice a year. The first surge occurs between April and June, driven by the summer wedding season and the auspicious festival of Akshaya Tritiya, which boosts purchases in both urban and rural regions. The second, and generally longer, peak spans September to January, supported by post-harvest income inflows, Diwali celebrations (including Dhanteras), and the winter wedding season, all of which encourage heightened buying activity.

Periods of softer demand are seen during July- August, when the monsoon season shifts focus toward agriculture and limits consumer spending, and during February- March, when the absence of major festivals or wedding dates reduces buying momentum. These fluctuations reflect enduring cultural practices, the agricultural income cycle, and the dual role of gold in India as both a decorative asset and a trusted store of value." make it concise.

Period of High Demand: Wedding, Festivals & Post Harvest Season

Wedding Season: Gold Jewellery demand in India displays a well-defined seasonal pattern, closely tied to socio-cultural customs, lifecycle events, and rural income cycles. Among all categories, bridal jewellery constitutes the single largest segment, accounting for an estimated 50- 55% of total gold jewellery consumption. This dominance is underpinned by the scale of India's wedding market, approximately 11 to 13 million weddings take place annually. With the average age of marriage for women being about 22 years and more than half of the population under the age of 25, the country maintains a large, young consumer base that sustains consistent demand. Weddings are not just personal events but large-scale social occasions where gold jewellery serves as both adornment and a store of wealth, making it a culturally essential purchase.

Festival Season: Festivals act as another major driver of seasonal gold buying. Auspicious occasions such as Akshaya Tritiya and Diwali (including Dhanteras) are deeply rooted in cultural tradition and are widely believed to bring prosperity when gold is purchased. Household purchase surveys consistently show that most gold acquisitions are timed around festivals, with **Dhanteras and Akshaya Tritiya** alone contributing a significant share of annual sales. During these two occasions combined, demand can surge to between 40 and 60 tonnes, reflecting concentrated buying activity over just a few days. These spikes are amplified by marketing campaigns from jewellery retailers and financing schemes from banks and NBFCs, which further stimulate festive-season purchases.

Post Harvest: Rural India adds another important layer to the demand cycle. With nearly two-thirds of the population living in rural areas and a large portion dependent on agriculture, gold buying is closely linked to



agricultural income flows. The Kharif harvest, which accounts for most of the annual farm output, is completed between September and November, creating a liquidity surge in rural markets. This post-harvest period often coincides with Diwali, generating a powerful combination of cultural and economic incentives for gold purchases. Similar patterns emerge during the Rabi harvest, though its impact is smaller compared to Kharif.

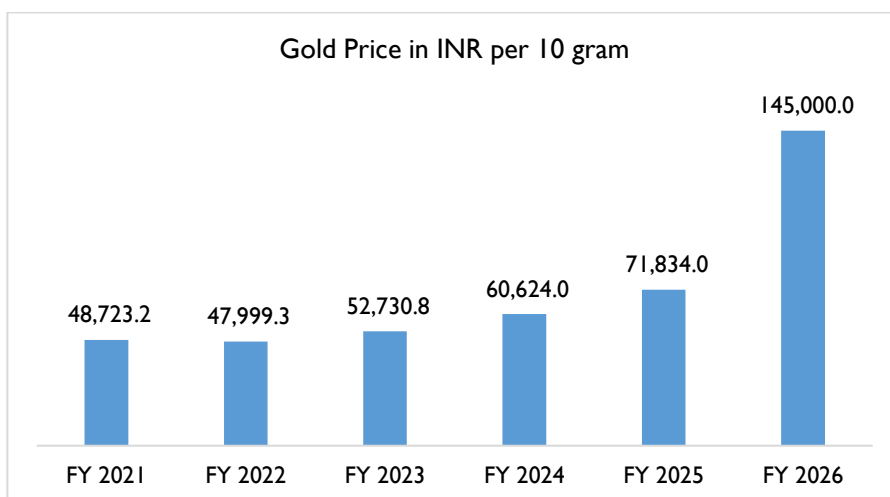
Period of Low Demand

During **July- August**, rural incomes are tied up in agricultural activities, with cash flow directed towards farm inputs such as seeds, fertilizers, and labour. Heavy rains also restrict mobility in many regions, reducing store visits. Combined, these factors dampen discretionary spending on jewellery. As a result of these cultural and economic forces, the Indian gold jewellery market experiences two distinct annual peaks. The first occurs between April and June, driven by the summer wedding season and **Akshaya Tritiya**.

The second and more prolonged peak runs from September through January, encompassing the post-harvest period, Diwali festivities, and the winter wedding season. Between these peaks, demand typically tapers off, particularly during July-August, when the monsoon season and agricultural focus limit discretionary spending, and in February- March, when major festivals and weddings are fewer. This cyclical pattern reflects not only traditional values and rituals but also the embedded role of gold as a long-term wealth-preservation asset across both urban and rural households in India.

Gold Price Movement in India

Gold prices in India have shown a steady upward trajectory over the past five years, nearly doubling in value. The average price per 10 grams was around INR 48,700 in 2020–21, and consistent year-on-year increases pushed it to the INR 80,000- 90,000 range by FY 2024, before crossing INR 1 lakh in early FY 2025. This sustained rise reflects both global market dynamics and domestic factors such as inflation, currency movement, and demand linked to weddings and festivals, underscoring gold’s continued role as both an adornment and a financial hedge in Indian households.



Source: D&B Desk Research, Reserve Bank of India



- **FY 2021:** The average gold price stood at INR 48,723.2 per ten grams, reflecting the elevated levels that followed the global economic uncertainty and pandemic-driven safe-haven demand. Prices were relatively high but stable compared to the surge witnessed in 2020.
- **FY 2022:** In 2022, prices dipped slightly to INR 47,999.3 per 10 grams, marking a marginal decline. This suggests a temporary cooling of demand as economic activity normalized post-pandemic, along with a correction in global gold prices.
- **FY 2023:** The market saw a recovery in 2023, with prices rising to INR 52,731.8 per 10 grams. This increase of nearly 10% indicated renewed investment interest and stronger festival and wedding-driven demand, coupled with global inflationary pressures.
- **FY 2024:** By 2024, the average price rose sharply to INR 60,624.0 per 10 grams, representing a robust 15% growth over the previous year. This surge can be attributed to heightened geopolitical risks, sustained domestic consumption during festivals, and the rupee's depreciation against the dollar.
- **FY 2025:** In 2025, gold prices reached INR 71,834.0 per 10 grams, marking an almost 19% year-on-year increase. This steep rise highlights continued global uncertainty, rising inflationary concerns, and strong seasonal and cultural demand within India, reaffirming gold's position as both a hedge and a cultural necessity.
- **FY 2026:** In 2026, gold prices surged sharply to approximately INR 1,45,000 per 10 grams, marking a significant ~102% year-on-year increase over FY 2025. This steep rise was driven by record-high global gold prices, geopolitical uncertainties, strong investment demand, and continued depreciation pressures on the Indian rupee, further reinforcing gold's role as a safe-haven asset despite moderating jewelry demand.

Gold Consumption in India v/s Major Markets

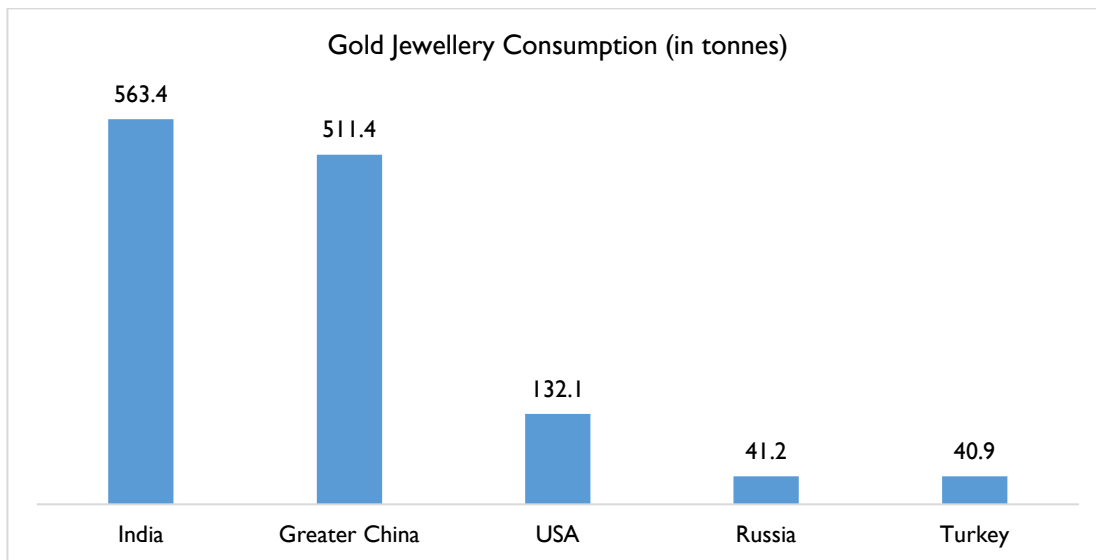
In CY 2024, India became the largest consumer of gold Jewellery globally, with demand reaching 563.4 tonnes, overtaking China for the top position. This rise is significant because, in CY 2023, China had led with 630.2 tonnes compared to India's 562.3 tonnes, but weaker economic conditions and persistently high gold prices pushed China's demand down to 479.3 tonnes in CY 2024. Including Hong Kong and Taiwan, Greater China's Jewellery demand stood at around 511 tonnes, still lower than India. This shift highlights India's resilience: despite a slight 2% decline from CY 2023, the country maintained a steady consumption base, supported by weddings, festivals, and deep-rooted cultural traditions where gold is seen both as ornamentation and as a store of value.

Beyond India and China, the global Jewellery market is much smaller. The United States, the third-largest consumer, accounted for only 136 tonnes in CY 2023, reflecting steady but comparatively modest demand driven more by fashion and luxury markets than by cultural compulsion. Germany followed with approximately 42 tonnes, and Europe around 70 tonnes, indicating a stable but limited appetite for gold Jewellery, primarily influenced by income levels and consumer preferences for investment-linked gold rather than heavy Jewellery buying. Rounding out the



top five, Thailand registered around 40 tonnes, reflecting its strong Jewellery manufacturing sector and local cultural demand, though still only a fraction of India’s volume.

The comparison clearly illustrates the dominance of Asian markets, particularly India and China, which together account for the overwhelming majority of global gold Jewellery demand. India’s ability to surpass China in CY 2024 underscores the strength of its cultural and ceremonial demand, which remains less elastic to economic pressures compared to other regions. In contrast, Western markets such as the U.S. and Germany are far smaller in volume, showing that global gold Jewellery consumption continues to be concentrated in Asia.



Source: World Gold Council

Consumption of Gold Across Major Economies

Country	Consumption Pattern
India	India remained one of the largest gold markets globally in CY 2025, with total gold demand standing at 710.9 tonnes, compared to 802.8 tonnes in CY 2024. Although overall demand declined by 11% y/y due to record-high gold prices affecting affordability and jewellery consumption, the value of gold demand surged by 30% to approximately INR 751,490 crore. Demand continued to be supported by cultural factors, festive purchases, and investment interest, reinforcing gold’s importance as both a traditional asset and a store of value in India. ¹⁰
Greater China	Greater China, traditionally one of the largest gold markets globally, recorded gold consumption of 950.1 tonnes in CY 2025, reflecting a decline of 3.57% compared to 985.3

¹⁰ <https://gjepec.org/solitaire/indias-q4-jewellery-demand-retreats-as-gold-hits-new-peaks/>



	tonnes in CY 2024. This marked the second consecutive annual decline in gold consumption, following a 9.58% drop in 2024. The decline was primarily driven by elevated gold prices, weak consumer sentiment, and slower jewellery demand, although investment demand for bars and coins remained relatively resilient amid economic uncertainty. ¹¹
United States	The United States ranked third, with 132.1 tonnes of demand less than one-fourth of India's. Jewellery buying here is shaped more by fashion and luxury preferences than cultural obligations, making consumption more sensitive to economic trends and consumer confidence.
Russia	Russia's demand stood at 41.2 tonnes, modest compared to Asian leaders. Economic sanctions, inflation, and geopolitical instability weighed on household spending, though gold retained cultural value as a symbol of security and status.
Turkey	Turkey consumed 40.9 tonnes, nearly on par with Russia. Cultural customs, particularly weddings and dowries, continue to sustain demand, but economic volatility and currency depreciation have capped growth. The country remains an important regional hub for Jewellery making and consumption.

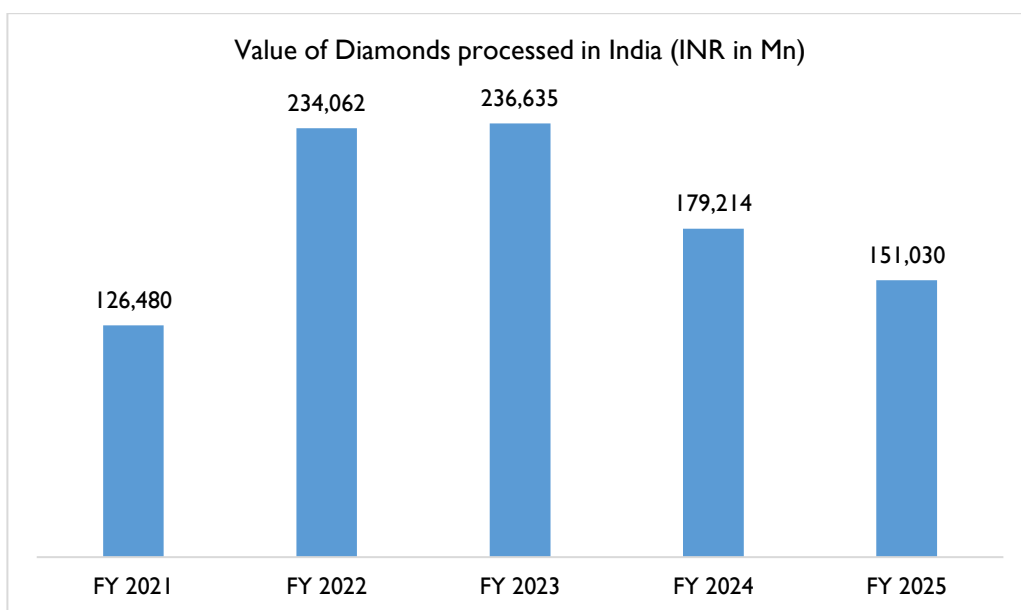
Diamond processing scenario in India

Diamond processing scenario in India includes the sourcing, procuring, cutting and finishing stages. The finished diamonds are often exported to countries where suitable jewellery is made with these processed diamonds. Given the popularity of jewellery sector of India for its handicraft, the diamonds processed are also transformed into jewellery pieces such as Necklaces, earring, bangles, bracelets and finger rings.

However, the diamond and the diamond related sectors are facing crisis which long began during the Covid -19 scenario and is looking towards recovery with support from governmental assistance and other macro-economic factors. The demand for diamonds and the diamond jewellery has reduced drastically in the past few years as the markets are stabilizing and also facing competition from the growth of lab-grown diamonds and other jewelries.

¹¹ <https://www.mining.com/web/chinas-2025-gold-consumption-slips-for-second-year-in-a-row/?utm>





Source: CMIE Economic Outlook

The value of diamonds imported and processed in India is represented above. The diamond processing in India is done by artisans in key hubs such as Surat, Jaipur, and Mumbai. The raw uncut diamonds imported are subjected to various stages such as sawing, bruting, blocking and polishing. In these stages, the diamonds are scanned through machines which creates a 3D model on how the diamonds are shaped. Later at sawing stage, a laser machine trims the diamond into a simple structure with least waste. The next stage of bruting, gives the trimmed diamond a plain round shape and in the other following steps gets transformed with many facets and is polished. Currently in India, the diamonds are processed both in the traditional hand-based method and using machines. However, the cost of processing, which includes skilled Labour and certifications are what amounts to high cost of processed diamonds. As seen in the graph, the value of the processed diamonds declined gradually owing to the diminishing demand, economic uncertainty and rising popularity of lab-grown diamonds. Though India also caters to polishing the Lab grown diamonds, the value for processing the natural and the former have a lot of difference and thus seeing the decrease in the value of processed diamonds.

Another reason which is expected to impact on these diamonds is the tariff on them by U. S Government recently, which has affected the industry as it was one of the major markets. The tariff hike imposed includes the reciprocal tariff announced in August 2025 and an additional tariff of 25 % later. As on date the tariff on these diamonds is 50% and has created a scary situation in the Indian Diamond Industry. The loss being incurred in the reduced demand from U.S and China has affected the industry that though the UAE has doubled the exports from India, it is not sufficient to suffice the losses from the former reason.

The brighter side of the situation seems to be the **Diamond Imprest Authorization scheme** effective from April 2025 is set to provide relief to certain extent. It is expected to increase the competitiveness of the industry in the global market and help with reversing the export situation.



India as a global hub for diamond processing: Analysis of key factors

India is currently the leader in cut and polished diamonds. The processed diamonds and its jewellery are exported and distributed to various parts of the world. It also houses many Gems & Jewellery clusters in India and Gujarat especially Surat is known as the diamond capital. Diamonds mined from Africa, Russia and Canada etc. are imported and processed to make jewellery to export.

India has strategic advantage having skilled artisans, seaports, and expertise of many years in exporting diamond jewellery. Mumbai, Surat and Jaipur are key hubs in Diamond processing and have been involved in the same from generations. India also houses Golconda mines which have rare diamond reserves and have given the world unique and precious diamonds such as The Kohinoor, the Evening star and the Hope Diamond.

Skilled artisans:

There are nearly 1.3 million artisans who are directly involved in the diamond industry in India. These artisans have been part of the diamond industry through generations processing diamonds, as mentioned earlier, Surat, the Diamond city of India houses most of these artisans. These craftsmen are trained rigorously for some time with respect to cutting, polishing and finishing. The industry along with state governments and Union governments have provided benefits and support packages to empower them. Contingency financial packages are provided in financial crisis of the Indian industry.

Port infrastructure

The key cities with diamond processing capabilities are strategically located near the seaports to facilitate the trade related to diamonds. The ports in Gujarat such as Deen Dayal Port in Kandla and Jawaharlal Nehru port help in flourishing trade. This well-connected infrastructure to other parts of the world is a significant factor to invest and carry out trade with India as a key hub for Global Diamond Industry.

Trade houses

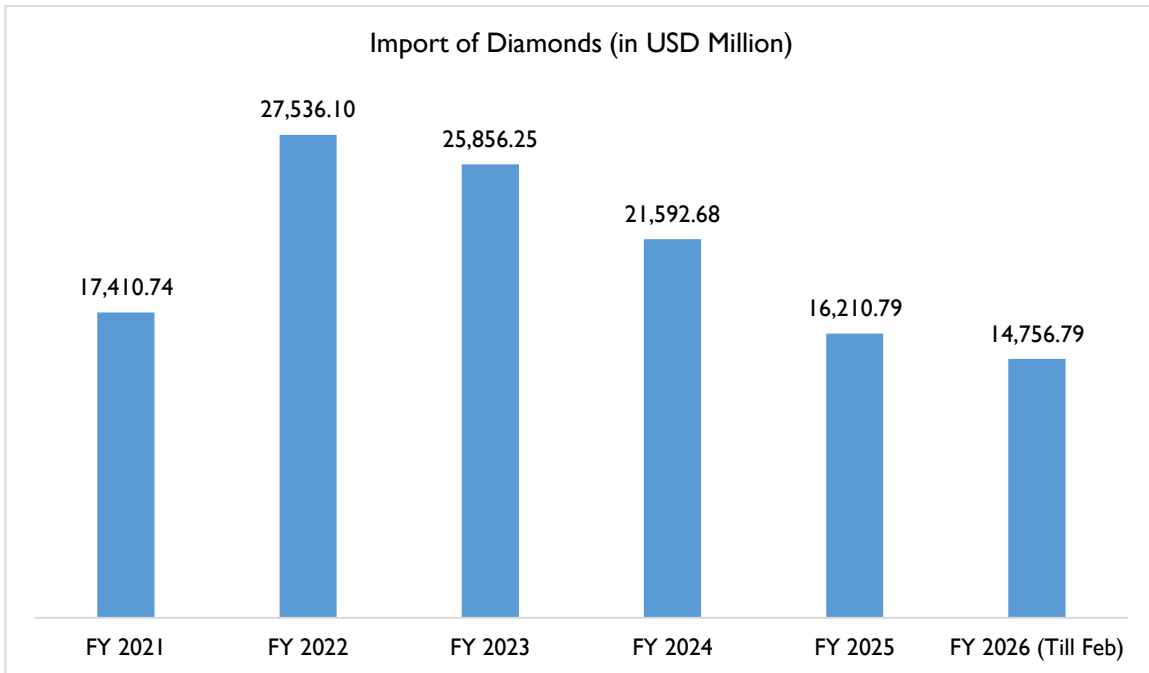
The Indian Diamond industry has two main trade houses namely Bharat Diamond Bourse and Surat Diamond Bourse which are in proximity to the processing hubs. The premiere trade entity for diamonds in India is the Bharat Diamond Bourse and is the world's largest Diamond exchange Centre. It was established in 2010. It houses 4000 members who are actively involved in the Diamond business (i.e. import, export manufacturing and marketing uncut, raw diamonds.)

Surat Diamond Bourse is another trade entity recently established in 2023, and has similar functions, roles and responsibilities of BDB. It was established in Surat as it has all the key stakeholders housed in and around the city. It is registered as a not-for-profit organization yet deemed to promote trade and develop commerce and industry related to Gems & Jewellery sector.



Import Scenario of Diamonds in India

Historical Growth of Imports



As per the import data of the past five years, the imports to India have been in an inclining and declining trend. However, in the past two years the imports have been declining owing to decrease in the demand for diamonds, tariff impositions and sanctions of diamonds from Russia. The demand from the major importers of finished diamonds included USA and China dropped as there were growing demand for the lab-grown diamonds. Though India also caters to polishing of lab grown diamonds, the value of natural diamonds processed was lost. The tariffs imposed by U. S government on the diamonds exported from India affected the industry a lot and diamond processing sector had no orders for a while. This created a lot of financial crises for artisans and the industries and the scenario still seems to persist this year.

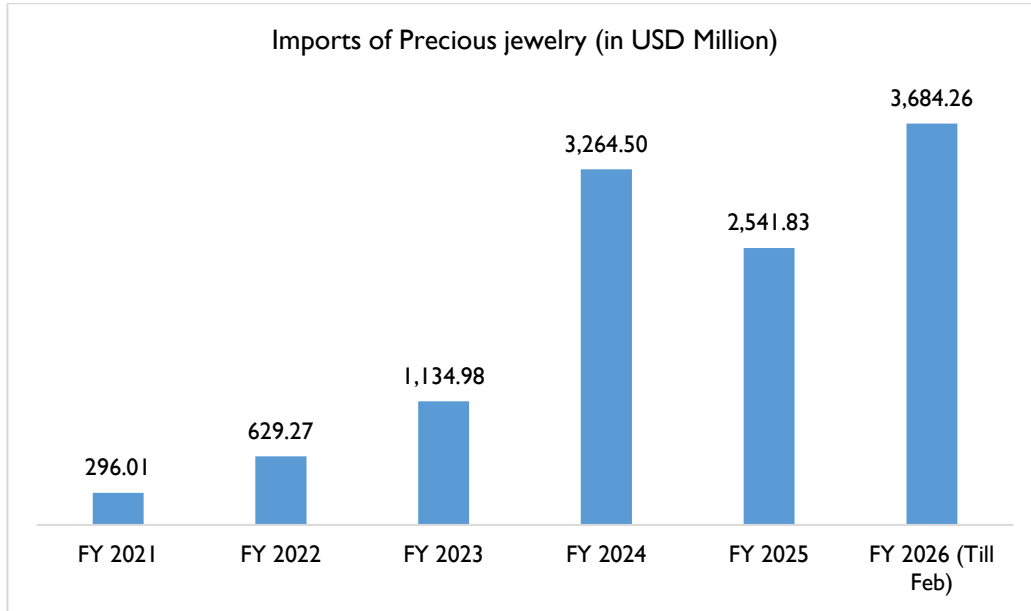
The State government of Gujarat, in the light of suicides of artisans due to unemployment as part of industry crisis, has devised a relief package for the registered artisans. The central government has announced the Diamond Imprest Authorization (DIA) scheme on 21st January 2025. The scheme entails:

- Import of Natural Cut and Polished Diamonds, of less than ¼ Carat (25 Cents) is made duty free
- A mandate has been set for export with a value addition of 10%.

The scheme can be availed by all Diamond exporters holding Two Star Export House status and above and having USD15 Million exports per year, are the eligible for the scheme.



Import Scenario of Precious jewellery



Source: DGFT, (HS Code considered is 7113)

Owing to the rising prices of gold, consumers are looking less towards buying jewellery and investing in gold by other means. The other reason for the decline is the economic uncertainties caused due to war like situations and tariff impositions. The 50% tariff imposition has caused a dip in the demand for precious jewellery as the U.S was one of the largest markets for the finished jewellery. This has already impacted on the industry with loss of jobs and decline in revenue. The above graph indicates the steady increase of imports of precious jewellery parts which are worked and finished in India by artisans.



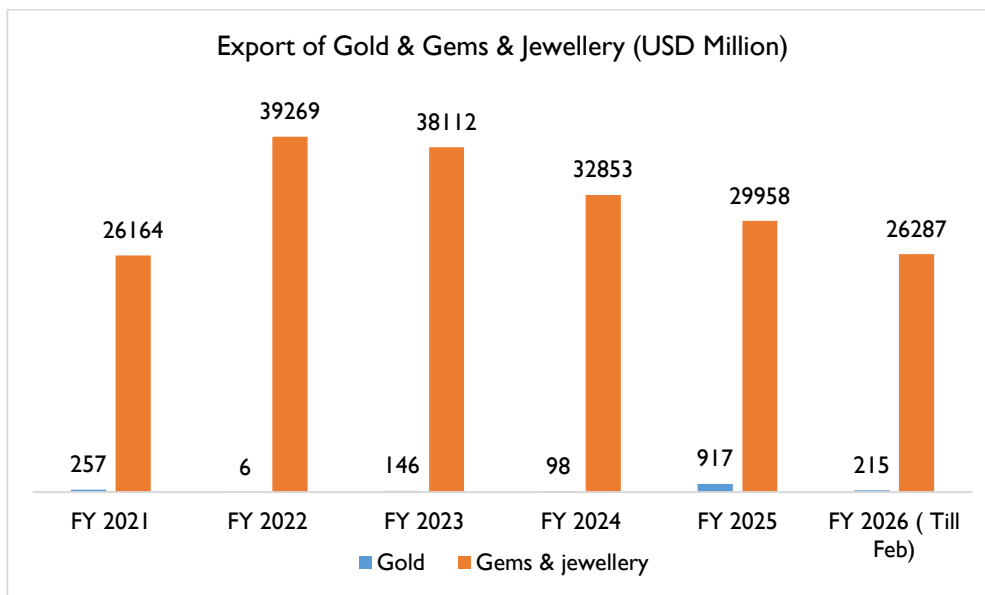
Gold Export and Import Scenario in India¹²

Export Scenario

India's gold exports have witnessed sharp fluctuations over the past five years, reflecting both global market volatility and domestic policy dynamics. In FY 2021, exports were recorded at USD 257.17 million but plunged drastically to just USD 6.23 million in FY 2022, as international trade flows weakened, global demand slowed, and tighter regulatory checks impacted re-export activities.

This decline was short-lived, as exports gradually recovered to USD 145.86 million in FY 2023. However, exports dipped again to USD 98.25 million in FY 2024, indicating continued volatility in the segment. The trend reversed sharply in FY 2025, with exports surging to USD 916.78 million, reflecting strong global demand, favorable international prices, and India's increasing role in value-added bullion trade and re-exports.

In FY 2026 (till February), gold exports stood at USD 215.11 million, suggesting a moderation compared to the exceptionally high base of FY 2025, while remaining above pre-FY 2024 levels.



Source: Directorate General of Foreign Trade

In contrast, the gems and Jewellery sector, a traditional mainstay of India's exports, has been facing headwinds in recent years. Exports grew from USD 26,163.88 million in FY 2021 to a peak of USD 39,268.62 million in FY 2022, driven by pent-up demand in key markets such as the United States and Europe, coupled with higher luxury spending as economies reopened post-pandemic. However, this momentum was not sustained, as exports declined to USD 38,112.48 million in FY 2023 and further contracted to USD 32,853.10 million in FY 2024.

By FY 2025, exports had fallen further to USD 29,958.41 million, marking a significant decline from the FY 2022 peak. This downward trajectory reflects weakening discretionary spending in major consuming nations amid

¹² HS Code: 7108 Gold, 71 Gems and Jewellery.



inflationary pressures, global economic uncertainties, and reduced demand for polished diamonds and stud Jewellery. Moreover, supply chain disruptions and heightened competition from emerging Jewellery manufacturing hubs further constrained export performance.

In FY 2026 (till February), exports stood at USD 26,287.04 million, indicating continued pressure on the segment, although the pace of decline appears to be moderating compared to previous years.

Overall, the two segments present a diverging trend. Gold exports, though smaller in absolute value compared to jewellery, have shown strong recovery and growth in FY 2025, followed by some normalization in FY 2026. On the other hand, gems and jewellery exports, despite their large base, are experiencing a prolonged slowdown, highlighting the challenges faced by India's traditionally dominant export sector in an increasingly uncertain global environment.

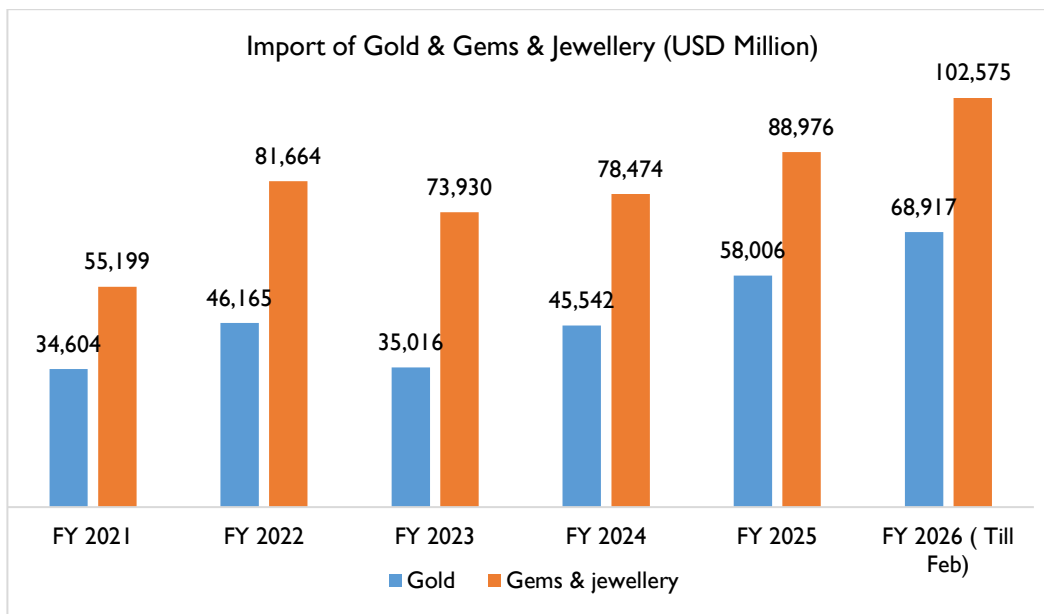
Import Scenario

India's imports of gold and gems & Jewellery have shown a cyclical but overall upward trend between FY 2021 and FY 2025. Gold imports rose from USD 34,603.94 million in FY 2021 to USD 46,165.49 million in FY 2022, reflecting a strong rebound in demand as the economy recovered from the pandemic slump. However, FY 2023 witnessed a sharp fall to USD 35,016.10 million, mainly due to subdued consumer demand, high gold prices, and global uncertainties that dampened Jewellery consumption.

Imports picked up again in FY 2024, reaching USD 45,542.07 million, and surged further to USD 58,006.26 million in FY 2025, the highest level in the five-year period. This sharp jump in FY 2025 indicates stronger domestic demand during wedding and festive seasons, as well as restocking by the jewellery industry, even though high prices continued to play a role in limiting physical volumes.

In FY 2026 (till February), gold imports stood at USD 68,916.68 million, already surpassing the full-year FY 2025 level. This indicates exceptionally strong import momentum, likely driven by elevated domestic demand, inventory buildup, and continued high global gold prices influencing import values.





Source: Directorate General of Foreign Trade

In the gems & Jewellery category, imports followed a somewhat similar but less volatile pattern. Imports increased significantly from USD 55,198.86 million in FY 2021 to USD 81,663.73 million in FY 2022, driven by the revival of international trade and robust export-oriented demand, particularly for cut and polished diamonds. In FY 2023, imports moderated to USD 73,930.33 million, reflecting softer global demand, inventory adjustments, and the impact of macroeconomic headwinds on luxury consumption worldwide. FY 2024 saw a partial recovery with imports rising to USD 78,473.55 million, followed by another expansion to USD 88,975.66 million in FY 2025, showing resilience in India’s gems & Jewellery trade despite global uncertainties.

In FY 2026 (till February), imports rose further to USD 1,02,575.01 million, marking a substantial increase over FY 2025. This sharp rise highlights strong raw material inflows, driven by India’s role as a global processing hub and expectations of demand recovery in international markets.

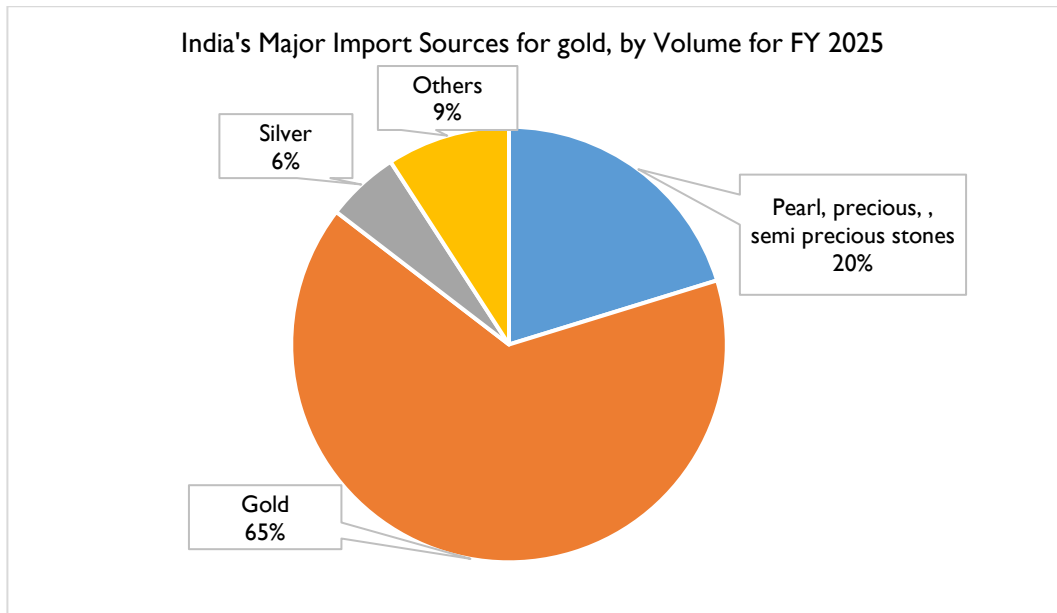
Overall, both categories highlight how India’s Jewellery ecosystem is influenced by a mix of domestic consumption, export demand, and global price movements. Gold imports remain closely tied to household demand for Jewellery and investment, while gems & Jewellery imports are largely driven by India’s role as a global processing hub for diamonds and precious stones. The sharp increase in FY 2026 (till February) across both categories reflects a combination of factors: strong domestic demand, high gold prices inflating import values, and the industry’s continued push to secure raw materials amid global uncertainties.

Import Pattern

Gold plays a dual role in India’s trade: it is both a consumption commodity and a critical raw material for the gems & jewellery sector. Since jewellery manufacturing is one of India’s largest export-oriented industries, gold imports feed directly into the production of finished ornaments, studded jewellery, and other luxury products that are then



exported. This is why gold imports are often considered not just a reflection of domestic demand but also a driver of India's export competitiveness in the gems & jewellery industry.

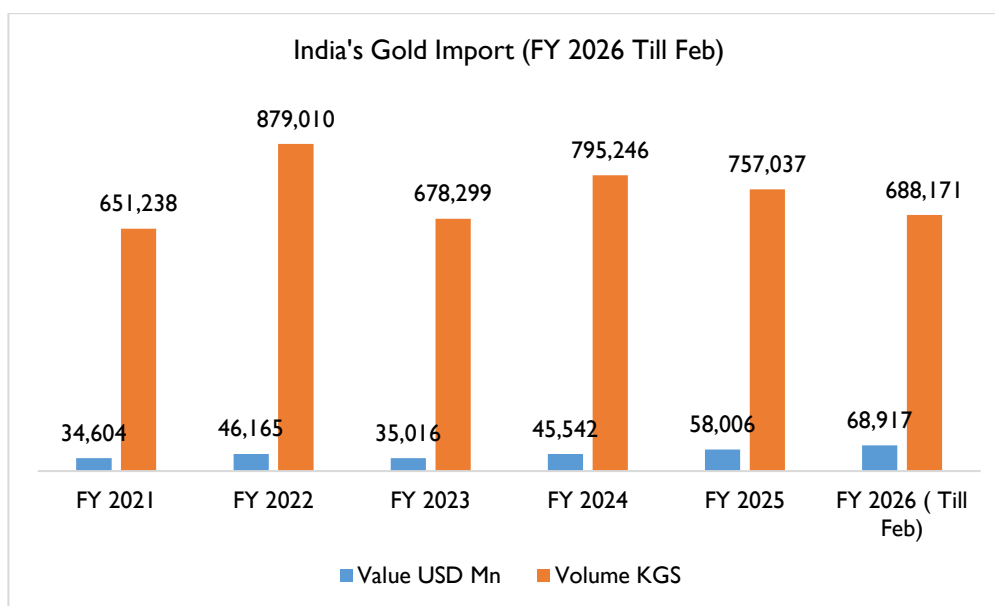


Source: Directorate General of Foreign Trade

India's gems & jewellery exports stood at around USD 38–40 billion in FY 2024 (as per GJEPC and trade data), and early trends for FY 2025 indicate modest recovery after global demand softness in 2023. The heavy reliance on imported raw materials, particularly gold and diamonds, underscores how import growth translates into export value addition. For instance, imported bullion is refined, crafted, and re-exported as finished jewellery, while imported rough diamonds are cut and polished in India before being exported worldwide.

The rise in gold imports to USD 58 billion in FY 2025 aligns with stronger domestic and export-driven jewellery demand. Similarly, the increase in gems & jewellery imports (USD 89 billion in FY 2025) reflects India's continued role as a global processing hub, where raw materials are transformed and exported as high-value finished goods. In FY 2026 (till February), this trend has further strengthened, with gold imports already reaching USD 68.9 billion, indicating sustained demand momentum and the impact of elevated global prices.





Source: Directorate General of Foreign Trade

Gold import value has shown significant fluctuations over the five-year period. In FY 2021, imports stood at USD 34,603.94 million, rising sharply in FY 2022 to USD 46,165.49 million, driven by higher prices and recovery in demand after the pandemic. However, in FY 2023, the value dropped back to USD 35,016.10 million, reflecting both softer demand and some price corrections. A recovery followed in FY 2024, with imports valued at USD 45,542.07 million, before surging to a five-year high of USD 58,006.26 million in FY 2025.

This upward trajectory has continued in FY 2026 (till February), with import value already reaching USD 68,916.68 million, surpassing the full-year FY 2025 level. This sharp rise highlights the impact of record-high gold prices and continued demand during wedding and festive periods, along with inventory stocking by the industry.

The volume of gold imports tells a slightly different story. In FY 2021, India imported 6,51,238 kg of gold, which peaked at 8,79,010 kg in FY 2022, reflecting pent-up demand and restocking after COVID-19 disruptions. Volumes then fell significantly in FY 2023 to 6,78,299 kg, mainly due to price pressures and subdued rural demand. FY 2024 saw a rebound to 7,95,246 kg, but in FY 2025, volumes slipped again to 7,57,037 kg, indicating that high prices constrained physical demand despite strong import values.

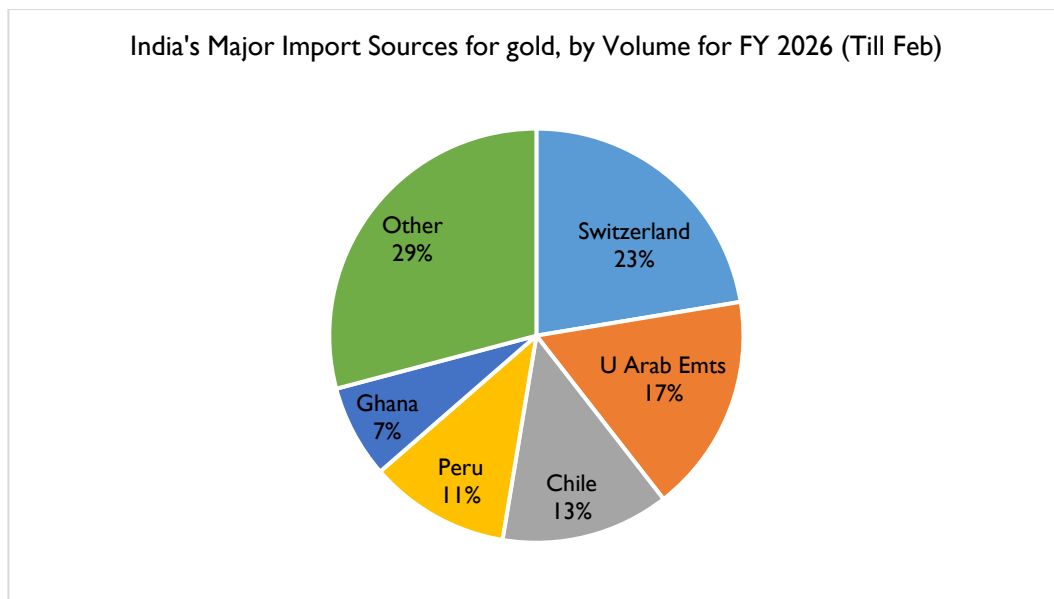
In FY 2026 (till February), import volumes stood at 6,88,171 kg, suggesting that while volumes remain moderate, they are not proportionately increasing with the sharp rise in import value, further emphasizing the role of price inflation in driving overall import expenditure.

The divergence between value and volume trends is striking. While the import values in FY 2025 and FY 2026 (till February) were at record levels, the volume remains lower than the peak observed in FY 2022. This suggests that India is importing less gold by weight but paying significantly more for it, clearly indicating the impact of record-



high international gold prices. Essentially, demand in tonnes is under pressure, but the expenditure on imports continues to rise.

India's gold import trend reflects a shift towards value-driven rather than volume-driven demand. The higher expenditure in FY 2025 and the continued surge in FY 2026 (till February) despite relatively moderate volumes show how cultural and investment demand remains resilient, but affordability constraints are forcing households and jewellers to adjust to smaller quantities. This pattern also reinforces gold's dual role in India: as a cultural necessity for domestic consumption and as a raw material for the export-driven gems & jewellery industry.



Source: Directorate General of Foreign Trade

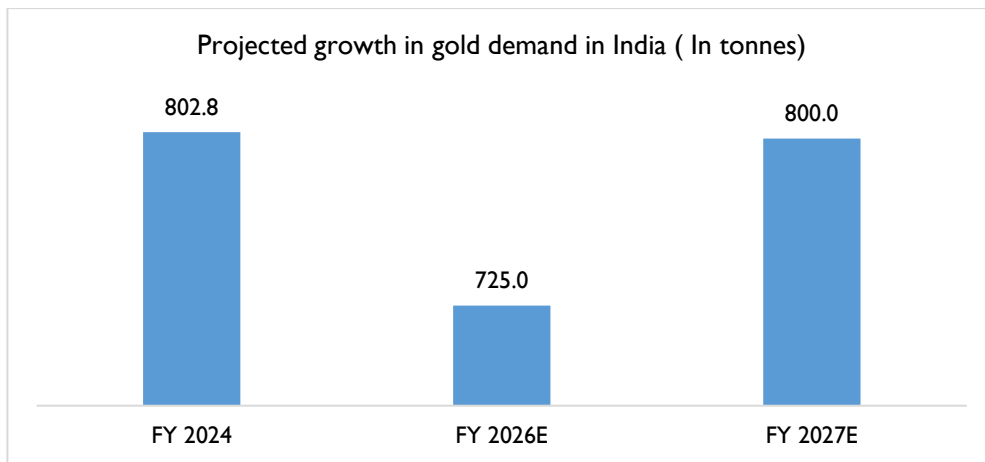
Additionally, country-wise import data for FY 2026 (till February) indicates that Switzerland remains the largest supplier of gold to India (1,54,062 kg, 23%), followed by the UAE (1,17,590 kg, 17%), Chile (90,453 kg, 13%), Peru (75,611 kg, 11%), and Ghana (50,026 kg, 7%), with other countries contributing 2,00,429 kg (29%). This highlights India's diversified sourcing strategy and strong trade linkages with major gold-producing and refining hubs globally.



Growth Forecast

Gold demand in India is expected to witness steady growth over the next 3-5 years, driven by cultural affinity, rising disposable incomes, and growing demand for investment avenues. Traditionally, gold has remained a preferred asset for Indian households, not only as Jewellery but also as a form of financial security. With the expanding middle class and increasing urbanization, the retail Jewellery market is likely to strengthen further, especially around festivals and weddings, which continue to be key demand drivers.

On the investment front, heightened interest in gold exchange-traded funds (ETFs), sovereign gold bonds, and digital gold platforms is anticipated, as more investors seek to diversify their portfolios and hedge against inflation or currency volatility. Macroeconomic factors such as global price trends, interest rates, and policy incentives are also expected to shape demand positively. Moreover, the government's push toward formalization of the gold sector, coupled with innovations by organized players in branding and product design, will further aid consumption growth in both urban and semi-urban markets.

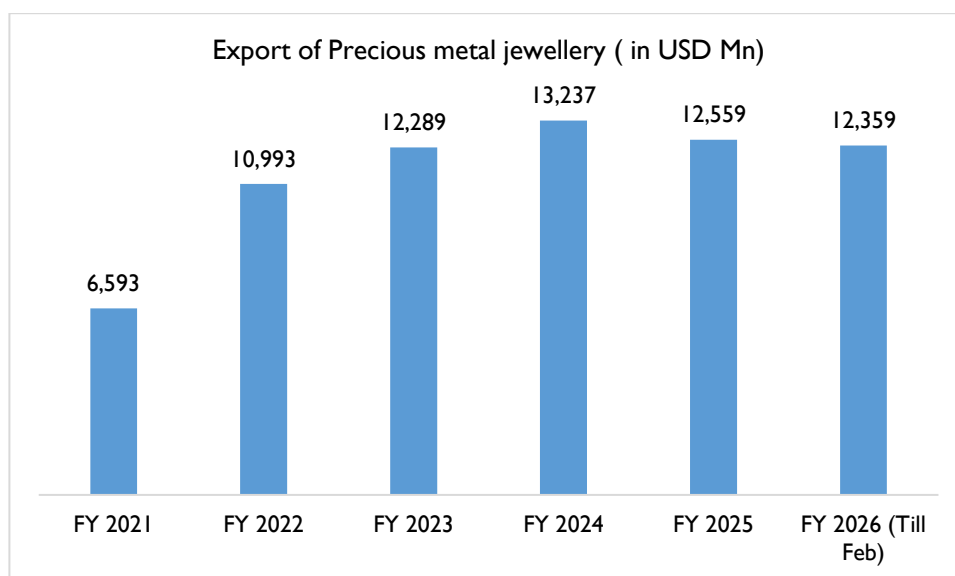


Source: D&B Desk Research; E- Estimated

India's gold demand has shown resilience in recent years, though short-term fluctuations remain tied to price movements and consumer sentiment. In FY 2024, demand was estimated at 802.80 tonnes, marking a 5% rise over the previous year. However, the outlook for FY 2025 suggests a moderation, with demand projected to decline modestly to the range of 700- 800 tonnes, primarily due to elevated gold prices that are expected to weigh down Jewellery purchases.

Looking ahead, the forecast for FY 2026 highlights a mixed picture. In value terms, gold Jewellery consumption is expected to grow by 14-18%, supported by steady festive and wedding demand, rural prosperity, and benefits from earlier import duty reductions. In volume terms, consumer gold demand is projected to moderate to around 725 tonnes, as Jewellery demand softens under high price conditions despite sustained investment activity. By FY 2027, demand is anticipated to recover to about 800 tonnes, aided by an expected income boost from India's Eighth Central Pay Commission, which could revive household purchasing power and further stimulate Jewellery consumption.





Source: Directorate General of Foreign Trade¹³

Precious jewellery exports have shown a steady rise from USD 6,593.27 million in FY 2021 to a peak of USD 13,237.08 million in FY 2024, driven by strong global demand. However, exports moderated to USD 12,559.12 million in FY 2025 and stood at USD 12,358.82 million in FY 2026 (till February), indicating slight pressure due to global uncertainties.

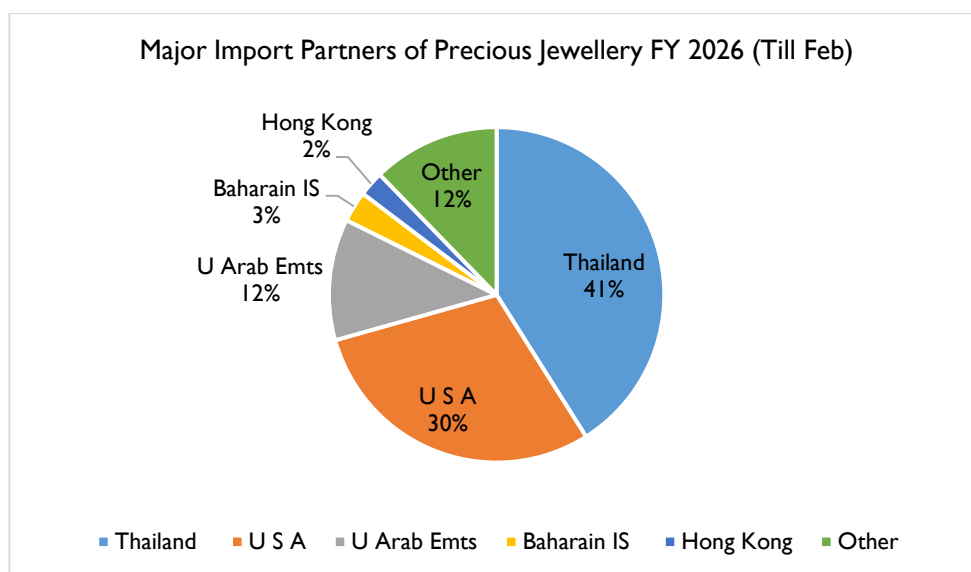
The data (till February 2026) suggests that while tariff impacts exist, they are relatively lower compared to the diamond industry. Key export destinations include the UAE (largest), U.S., Hong Kong, Singapore, and the UK, reflecting India’s diversified export markets.

Top 5 import partners for Gold & Precious jewellery

Gold & Other Precious jewellery is most sought after as Indian craftsmanship is unique and the intricate designs are preferred rather than the machine-made designs. The countries which have residents with similar traditional preference for jewellery are the major importers of jewellery.

¹³ HS code: 7113





The role played by imports in meeting the domestic consumption

As per the World Gold Council, India's gold demand rose by 10% y/y to 151 tonnes in Q1 2026. In value terms, gold demand surged by 99% y/y to a record INR 2,275 billion), supported by a sharp rise in domestic gold prices. The MCX spot gold price increased by 20% q/q and 81% y/y during Q1 2026, reaching a record quarterly average of INR 151,108 per 10 grams.¹⁵

The jewellery demand in the country was reportedly lower in 2024 at approximately 563.4 tonnes, which further declined sharply in FY 2025 to around 430.5 tonnes, indicating reduced consumption due to rising prices. This indicates that the demand for gold as an investment has increased, as it reached 239.4 tonnes in 2024 and further rose to around 280.4 tonnes in FY 2025, marking one of the highest levels in recent years.

The imports are the means of meeting the huge demand for gold and have generally remained high despite rising prices. However, in FY 2025, import volumes moderated to around 663.7 tonnes, reflecting weaker physical demand even as import values remained elevated due to high prices. Consumers are now increasingly viewing gold as an investment rather than a decorative fashion accessory. This has resulted in higher investment purchases compared to jewellery purchases, with increased demand for gold bars, coins, and ETFs.

The gold imports have also shown seasonal spikes, with higher imports during months such as August 2025, indicating strong investment and festive demand. Overall, the Indian gold market is witnessing a shift towards investment-driven demand, while jewellery consumption is gradually declining in volume due to affordability constraints.

¹⁴ HS code: 7113

¹⁵ <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-india-focus-q1-2026>



Key Domestic Demand Drivers

India's gems and Jewellery sector stands at the confluence of cultural reverence and evolving economic dynamism. Deeply embedded traditions, especially around weddings and festivals are increasingly complemented by a rising middle class, growing disposable incomes, and accelerating retail modernization. As consumers seek both meaningful and aspirational purchases, demand patterns are being shaped by macroeconomic growth, celebratory milestones, gifting cultures, and institutional trust mechanisms like mandatory hallmarking. Together, these drivers create a stable yet adaptable demand environment that reflects both enduring values and contemporary consumption behaviors.

Key Factors Driving Demand

Macroeconomic Factors

- **Increasing Discretionary Spending:** The 2023- 24 Household Consumption Expenditure Survey (HCES) shows average Monthly Per Capita Consumption Expenditure (MPCE) at INR 4,122 in rural and INR 6,996 in urban areas, reflecting robust growth from the previous year. Non-food spending continues to dominate household budgets 53% in rural and 60% in urban areas underscoring the structural shift towards discretionary purchases such as jewellery. While food's share in spending inched up slightly to 47% in rural and 40% in urban (from ~46% and ~39% in 2022–23) due to food price pressures, the long-term trend remains one of premiumisation and lifestyle-driven consumption
- **Supportive Macroeconomic Climate:** Even after moderating from the post-pandemic rebound, India's real GDP growth stayed robust at ~6.5% in FY 2024- 25, sustaining household income growth and employment in urban services key for jewellery demand. Growth was driven by resilient domestic consumption, buoyant services activity, and government-led infrastructure spending, which together kept urban employment steady and supported discretionary spending patterns among middle- and upper-income households.

Weddings & Other Seasonal Demand

In India, weddings are the single-largest demand driver for gold, with the World Gold Council estimating that marriage-related purchases account for around 50% of the country's annual gold demand, underscoring the deep cultural significance of bridal jewellery in Indian traditions. This effect is magnified during high-intensity wedding seasons CAIT projected that approximately 48 lakh weddings would take place between November and December 2024, generating close to INR 6 lakh crore in economic activity across sectors like apparel, hospitality, and jewellery.

Festivals and auspicious dates such as Akshaya Tritiya and Diwali further reinforce this cyclical demand, as highlighted in regular WGC updates (World Gold Council). However, gold price volatility also plays a role soaring prices in Q1- Q2 2025 led the WGC to lower India's demand outlook to ~ 600-700 tonnes (from 803 tonnes in



CY 2024), as consumers shifted to lighter or lower-purity designs and recycled old inventory, even as essential wedding-related purchases continued.

Gold Gifting & Its Impacts

Gold gifting remains a cultural anchor even amid pricing pressures. Weddings and cultural rituals continue to underpin demand: during the peak wedding season (Nov- Jan), gold imports jumped 45% year-on-year to 46.9 tonnes, signaling robust bridal and gifting activity despite rising prices. Yet, when prices breached INR 1 lakh per 10 g, buyers adapted recycling old jewellery, opting for lightweight designs, and even pivoting toward silver, especially among cost-conscious shoppers. Jewelers are responding too with suitable marketing strategies to lure the prospective buyers with jewelries of their preferences. For Ex: P N Gadgil Jewelers launched a dedicated lightweight, lower-carat sub-brand, Lifestyle, noting the segment is growing at approximately 30% annually, and projecting 30- 35% YoY revenue growth for in coming years.

Mandatory Hallmark Standards

India's gold hallmarking regime has been tightened and scaled up, materially boosting consumer trust and traceability. Hallmarking became mandatory in phases starting June 16, 2021, and from April 1, 2023, the sale of hallmarked jewellery without a 6-digit HUID was disallowed; consumers can verify HUIDs instantly via the BIS Care app. The program has expanded nationwide: with the 4th phase launched on Nov 5, 2024, coverage rose to 361 districts, and cumulative hallmarked items crossed 40 crore a clear signal of adoption and enforcement. Capacity and compliance have grown in lockstep: registered jewelers have risen to about 1.94 lakh, and assaying & hallmarking centers to around 1,622, improving access and oversight across India.



Major Trends

Emergence of daily-wear & lightweight jewellery (affordable, Gen-Z led)

Retailers report strong festive spikes in lighter, everyday designs; this Aadi season in Chennai saw a 35- 40% jump in gold sales, with Gen-Z driving demand for fashion-forward, affordable pieces.

Broader consumer shift toward “accessible luxury” (lower caratage, trend-driven, frequent wear) is reshaping assortments and pricing ladders.

Design & technique innovations: CAD/CAM, 3D printing, AI, omnichannel

Industry adoption of CAD/CAM and 3D printing has compressed prototyping cycles and enabled intricate forms at lower cost now standard in modern workshops and fast-growing retail-first brands.

AI-assisted design/visuals and digital tools (AR/virtual try-on) are expanding customization and speeding go-to-market; online contributes a rising (though still modest) share for legacy chains vs. higher for online-first players.

Rising domestic preference for diamonds & precious-stone jewellery

India overtook China to become the world's #2 diamond jewellery market by 2024; industry expects further growth as players court the domestic consumer.

Strategic push to promote natural diamonds in India (De Beers–Tanishq/GJEPC collaborations) aims to expand penetration and raise consumer confidence especially helpful as exports face volatility.

Lab-grown diamond (LGD) jewellery gains traction (value & variety)

Government removed customs duty on LGD seeds and funded a ₹243-crore five-year R&D program at IIT-Madras to indigenize LGD tech lowering input costs and catalysing ecosystem growth.

Dedicated LGD brands are scaling footprints and investments (e.g., fresh capital raises, multi-city roll-outs), reflecting rising domestic acceptance for everyday/bridal use at lower ticket sizes.



Key Threats

Gold Price Volatility:

Global gold prices witnessed a sharp increase during CY 2025 due to rising geopolitical tensions, inflationary pressures, central bank purchases, and increased safe-haven investment demand. According to the World Gold Council, the LBMA Gold Price averaged approximately USD 2,386.2 per ounce in CY 2024 and further increased significantly to around USD 3,431.5 per ounce in CY 2025. The sharp rise in prices was primarily driven by global economic uncertainty, expectations of interest rate adjustments, currency fluctuations, and strong central bank gold accumulation across major economies.

The sustained increase in global gold prices adversely impacted gold affordability and consumer sentiment in India, resulting in lower jewellery consumption during CY 2025. As per the World Gold Council, India's total gold demand declined to 710.9 tonnes in CY 2025 from 802.8 tonnes in CY 2024, while jewellery demand fell significantly by 24% to 430.5 tonnes due to elevated prices and reduced affordability. Consumers increasingly shifted toward lighter-weight and lower-caratage jewellery products or postponed discretionary purchases, particularly within price-sensitive segments.

At the same time, higher gold prices strengthened investment demand for gold bars, coins, and ETFs, with investment demand increasing to approximately 280.4 tonnes during CY 2025 as investors preferred gold as a safe-haven asset amid global uncertainty. These trends highlight how continued volatility in global gold prices can materially impact jewellery demand, consumer purchasing behaviour, inventory planning, and overall growth prospects across the jewellery industry.¹⁶

Import Dependence Amid Regulatory Complexity:

India's gems and jewellery sector faces a structural challenge rooted in its heavy reliance on imported raw materials, particularly gold. Under the India-UAE CEPA, India permits up to 200 tonnes of gold imports annually at a concessional 1% duty. However, in FY 2026, while nearly 3,000 applications were submitted under this tariff-rate quota (TRQ), only about 1,400 were approved, a result widely attributed to opaque eligibility criteria and informal turnover thresholds. This selective allotment, perceived to favor larger players, has sparked protests from MSMEs, who argue the system lacks transparency and undermines equitable access. As a result, small-scale jewelers remain marginalized, affecting competitiveness and inclusivity across the sector.

Seasonal Demand Intensity and Inventory Pressures:

India's jewellery demand is deeply cultural and occasion-led, surging during weddings, Akshaya Tritiya, Dhanteras, and Diwali, when gold and diamond purchases are considered auspicious. This creates a concentrated demand

¹⁶ <https://www.gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2025>



cycle, where retailers must prepare months in advance by stocking inventory and mobilizing capital, even at the risk of price fluctuations eroding margins. During lean months, however, sales taper sharply, straining cash flows and leaving unsold stock locked in working capital.

For smaller and regional jewelers, the pressure is even more acute, as they lack the financial flexibility of large organized players. Compounding these challenges are factors such as unfavorable wedding dates in certain years, government policy shifts on gold duties, or sudden volatility in global bullion prices, which can suppress consumer sentiment and disrupt purchase cycles. The structural seasonality thus forces jewelers to balance tradition-driven peaks with economic realities, making inventory and liquidity management a critical survival factor.

Compliance Burden of Mandatory Hallmarking (HUID):

The government's hallmarking mandate has undeniably strengthened consumer trust by ensuring quality assurance and traceability. Large, organized jewelers have leveraged the system effectively, integrating HUID into their processes and using it as a marketing edge to build consumer confidence. However, smaller and unorganized jewelers, especially in tier-II and tier-III towns, often struggle with compliance due to limited awareness, infrastructure gaps, and the additional cost of hallmarking.

Industry associations note that while hallmarking has brought transparency, it has also created bottlenecks such as long turnaround times at Assaying and Hallmarking Centers and added working capital pressures for small players. This uneven adoption is leading to a competitive imbalance where big chains gain credibility faster, while MSMEs risk being edged out of consumer preference despite forming a large share of India's jewellery retail landscape.

Lab-Grown Diamond Market Risks: Quality, Trust & Regulation:

The rapid rise of lab-grown diamonds (LGDs) has introduced fresh complexities into India's jewellery landscape. While LGDs provide a cost-effective and environmentally appealing alternative to mined diamonds, their very novelty raises questions around quality consistency, classification ambiguity, and consumer trust. Retailers and consumers alike often struggle to differentiate LGDs from natural stones, leading to confusion especially when disclosure norms are inconsistent across brands and channels.

Moreover, the industry has seen instances of misrepresentation, where LGDs are either mis declared as natural diamonds, or their lower value is disguised to fetch higher prices eroding brand credibility and consumer confidence. Regulatory frameworks and labelling standards are still evolving; enforcement gaps allow these issues to persist, particularly among smaller producers and informal retailers who may lack resources for rigorous certification.



Impact of Covid-19 Pandemic

Impact on Global Market

The global jewellery industry faced significant disruption during the COVID-19 pandemic due to lockdowns, travel restrictions, and economic uncertainty. Retail stores and manufacturing units across major markets were temporarily shut, leading to a sharp decline in consumer demand, particularly for luxury and discretionary purchases. According to the World Gold Council, global jewellery demand declined by 39% in the first quarter of 2020, while jewellery retailers in the United States reported sales declines of up to 82% during the initial months of the pandemic. Supply chain disruptions, transportation restrictions, and temporary shutdowns of mining and manufacturing facilities further affected the availability of raw materials such as gold and diamonds.

The pandemic also accelerated changes in consumer behaviour and business models within the jewellery sector. With limited physical retail activity, consumers increasingly shifted toward online purchasing, driving rapid adoption of e-commerce platforms, virtual consultations, and digital marketing strategies. As economies gradually reopened, the industry witnessed a strong recovery, particularly in key markets such as China and the United States. In 2021, the global jewellery market rebounded significantly, with annual consumption increasing by 52% to approximately US\$123 billion, supported by pent-up demand, improved consumer sentiment, and economic stimulus measures.

The diamond jewellery segment also recorded a strong recovery during the post-pandemic period. De Beers Group reported a 75% increase in rough diamond sales in 2021, driven by rising consumer demand in major markets. The pandemic further accelerated long-term structural changes within the industry, including increased focus on digital transformation, supply chain resilience, ethical sourcing, and personalized jewellery offerings.

Impact on Indian Market

The COVID-19 pandemic significantly impacted India's jewellery industry across manufacturing, retail operations, and exports. Nationwide lockdowns led to temporary closure of jewellery manufacturing units, causing labour shortages, operational disruptions, and supply chain interruptions, particularly affecting small and medium-sized enterprises within the sector. Restrictions on transportation and availability of raw materials further affected production activities and delayed order fulfilment. According to the Gem & Jewellery Export Promotion Council (GJEPC), the sector witnessed a decline in exports during the pandemic period due to weak global demand and logistical disruptions.

The retail jewellery segment also faced considerable challenges due to reduced store footfall, lower discretionary spending, and economic uncertainty during FY2021. India Ratings and Research projected nearly a 25% decline in retail jewellery revenues during FY2021 owing to subdued consumer demand. In addition, India's gems and jewellery exports declined by approximately 5% in May 2021 compared to pre-pandemic levels due to disruptions



caused by the second wave of COVID-19. Despite these challenges, the sector anticipated a sharp recovery in the third quarter of FY 2021, driven by the festive and wedding seasons.

Despite these challenges, the Indian jewellery industry gradually recovered with the reopening of markets, improving consumer sentiment, and strong festive and wedding-related demand. The pandemic also accelerated digital adoption across the sector, with jewellers increasingly focusing on online sales channels, virtual consultations, and omnichannel retail strategies. Government support measures and industry resilience further supported the sector's recovery while encouraging long-term structural transformation and operational adaptability.



Regulatory Framework in India

The gems and jewellery sector in India are a significant contributor to the national economy, driving exports, employment, and household savings. Given the high-value nature of gold transactions, the industry operates under a comprehensive regulatory framework aimed at promoting growth, ensuring transparency, protecting consumers, and maintaining financial integrity. Key regulators include the Ministry of Finance, which oversees customs duties, import tariffs, and tax structures; the Reserve Bank of India (RBI), which manages schemes like Sovereign Gold Bonds and gold loans while monitoring foreign exchange linked to gold trade; the Directorate General of Foreign Trade (DGFT), which provides export-import incentives and duty drawback schemes; and the Bureau of Indian Standards (BIS), which enforces hallmarking and certification to guarantee product quality and authenticity.

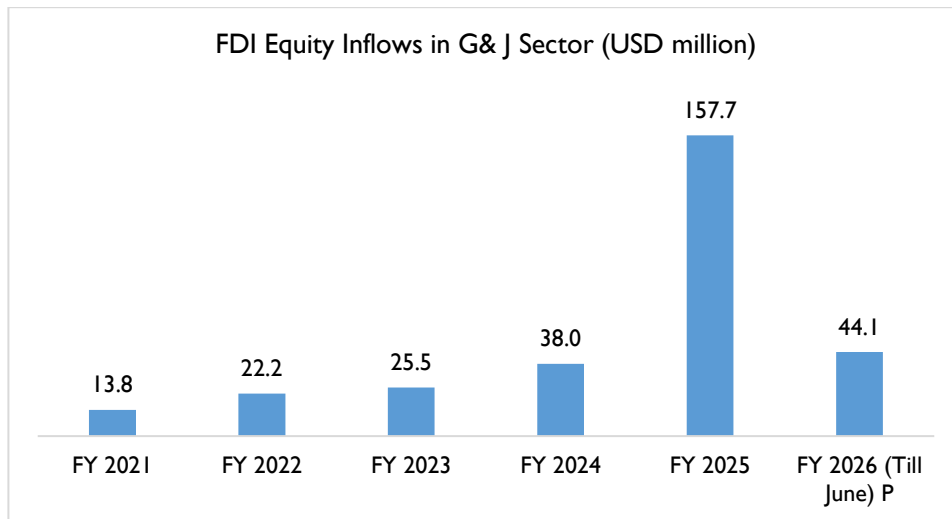
The government has also introduced initiatives such as the Gold Monetization Scheme and Sovereign Gold Bond Scheme to mobilize domestic gold reserves, while outright purchase facilities and gold loan schemes provide liquidity to jewelers and exporters. Compliance is reinforced through regulations like the Prevention of Money Laundering Act (PMLA) and mandatory hallmarking, ensuring market integrity and consumer confidence. The Gem and Jewellery Export Promotion Council (GJEPC) further supports export growth through market facilitation, financial assistance, and the development of export clusters. Together, these measures create a balanced regulatory environment that encourages industry growth, strengthens exports, and integrates gold into the formal financial system.

FDI Norms

India's gems and jewellery industry benefits from a highly liberalized Foreign Direct Investment (FDI) regime. Under the current policy framework administered by the Department for Promotion of Industry and Internal Trade (DPIIT), 100% FDI is permitted under the automatic route for this sector. This means foreign investors and their Indian partners can invest freely, without needing prior approval from the government or the Reserve Bank of India, provided that regulatory disclosures are made post-investment. This policy highlights the sector's strategic importance and priority status in India's export-led growth agenda.

The government has formally classified the gems and jewellery industry as a focus area for export promotion, reflecting its significant contribution to both GDP and international trade. The sector contributes approximately 6–7% of India's GDP and accounts for nearly 15% of the country's total merchandise exports. Its labor-intensive, export-oriented structure, anchored by skilled craftsmanship and established export clusters, makes it uniquely positioned to leverage FDI for technological upgrading, capacity expansion, and global outreach.





Source: Gems & Jewellery Export Promotion Council

India's liberalized FDI regime, allowing 100% investment under the automatic route, has positioned the gems and jewellery sector as a strategic hub for global investment. Steady inflow growth, supported by favourable government policies, export-oriented clusters, and infrastructure development, underscores strong investor confidence. This environment enables technological upgrades, capacity expansion, and enhanced export competitiveness, reinforcing India's status as a leading global jewellery market.

Key Policies & Regulations

Gold Monetization Scheme:

The Gold Monetization Scheme (GMS), launched by the Government of India in 2015, aims to mobilize idle gold held by households, trusts, and institutions and bring it into the formal financial system, reducing dependence on imports. India's households hold over 25,000 tonnes of gold, much of which traditionally remains outside productive use. Under GMS, depositors could initially choose from Short-Term (1–3 years), Medium-Term (5–7 years), and Long-Term (12–15 years) deposit options, with interest paid annually or cumulatively.

Depositors complete KYC and submit gold to designated Collection and Purity Testing Centers, where it is verified and credited to their Gold Deposit Account. From March 26, 2025, Medium- and Long-Term deposits were discontinued, while Short-Term deposits remain operational at the discretion of banks. By November 2024, GMS had mobilized over 31 tonnes of gold across more than 5,600 depositors. The scheme converts dormant gold into formal sector instruments, enhancing liquidity, supporting loans and refinery supply, and contributing to macroeconomic stability while offering secure returns to depositors.

Sovereign Gold Bond Scheme 2024-25:

The Sovereign Gold Bond (SGB) Scheme, launched in October 2015 by the Government of India and issued by the RBI, offers investors a secure and convenient alternative to physical gold. Bonds are denominated in grams of



gold, carry sovereign backing, and provide a fixed annual interest of 2.5% payable semi-annually, in addition to capital appreciation linked to gold prices. SGBs are issued in multiples of one gram, with limits of 4 kg per individual/HUF and 20 kg for trusts per financial year, and have an overall maturity of eight years, with the option for premature redemption after the fifth year.

The scheme is fully digital or certificate-based, eliminating storage, purity, and theft concerns, and bonds can be purchased via banks, post offices, SHCIL, and recognized stock exchanges. Pricing and redemption are market-linked based on IBJA gold rates, and the bonds are tradable on stock exchanges and usable as collateral for loans. SGBs also offer tax advantages, with exemption from capital gains tax at maturity and indexation benefits for early sale, making them an attractive investment. The scheme strengthens formal gold investment channels, reduces import dependence, and mobilizes household savings into productive financial instruments.

Prevention of Money Laundering Act:

The Prevention of Money Laundering Act (PMLA), 2002 provides a legal framework to prevent misuse of India's financial and commercial sectors, including the gems and jewellery industry, which is vulnerable to money laundering, smuggling, and terror financing. Under the Act, jewelers, bullion dealers, and diamond traders are designated as "reporting entities" and must comply with Know Your Customer (KYC) and Customer Due Diligence (CDD) requirements for high-value transactions, maintain records for five years, and appoint a Principal Officer to liaise with the Financial Intelligence Unit – India (FIU-IND).

Entities are required to submit Cash Transaction Reports (CTR) for transactions \geq ₹10 lakh and Suspicious Transaction Reports (STR) for unusual or suspicious activity. The Act mandates a risk-based approach, enhanced due diligence for politically exposed persons (PEPs) and cross-border transactions, and robust internal controls including employee training and audits. Non-compliance can attract fines, suspension, or prosecution. By integrating the jewellery sector into India's AML/CFT framework, the PMLA enhances transparency, curbs illicit activities, and strengthens the sector's credibility in domestic and global markets

Duty Drawback Scheme:

The Duty Drawback Scheme, administered by the Central Board of Indirect Taxes & Customs (CBIC) under the Ministry of Finance, allows exporters to claim refunds on customs and central excise duties paid on imported or domestic inputs used in exported goods, ensuring exports are "zero-rated" and internationally competitive. The scheme provides three types of claims: All-Industry Rate (AIR) for standardized refunds with minimal documentation, Brand Rate for exporters with higher actual duty burdens, and Drawback on Re-export of Imported Goods for duty-paid imported items.

CBIC mandates efficient processing, with 90% of claims settled within three days and refunds credited by T+2 working days. The scheme also accounts for minor shortfalls in export realization and includes levy components



like Education CSS and Social Welfare Surcharge. In FY 2021, the scheme disbursed INR 18,128 crore, reflecting its significant role in enhancing exporters' liquidity and supporting India's international trade.

Outright Purchase:

The Reserve Bank of India (RBI) uses outright gold purchases as a strategic tool for foreign exchange reserve management, economic resilience, and financial stability. Notably, in October 2009, RBI acquired 200 tonnes of gold from the IMF, boosting India's reserves, which grew to 879.59 tonnes by March 2025, with significant holdings both domestically and internationally. The share of gold in India's total forex reserves rose from 5.88% in September 2021 to 11.7% in March 2025, reflecting its importance as a stabilizing asset.

Domestic outright gold purchases are regulated through nominated banks under prudential norms, including risk management, open gold position limits, and hedging practices. These measures support both reserve diversification and the regulation of domestic gold supply, ensuring monetary policy stability and insulating the market from speculative pressures.

Gold Loan Schemes:

The Reserve Bank of India (RBI) has established a regulatory framework for gold-backed lending through the draft "Lending Against Gold Collateral" directions, 2025, applicable to commercial banks, co-operative banks, RRBs, small finance banks, and NBFCs. The guidelines standardize gold loan norms, including Loan-to-Value (LTV) ratios, purity valuation, borrower due diligence, and collateral handling. Borrowers' ownership is verified, and re-pledging of collateral is prohibited.

The framework emphasizes consumer protection, requiring transparent valuation, secure storage, timely auctions, refund of surplus proceeds within seven days, and borrower compensation for delays. Cash disbursement is capped at INR 20,000, with the balance credited to bank accounts, and loan terms must be communicated in the borrower's language. Implementation of these norms may be deferred until January 1, 2026, with possible exemptions for loans up to INR 2 lakh, balancing formalization with financial inclusion. These measures formalize the gold loan sector, ensuring transparency, accountability, and borrower protection.

Gold Spot Exchange:

The government has proposed the establishment of a gold spot exchange to create a transparent and standardized platform for bullion trading. Such an exchange would enable fair price discovery, reduce dependence on informal channels, and enhance India's role in global gold pricing mechanisms. For the gems and jewellery sector, this translates into reduced volatility in sourcing raw gold, a structured market for trade, and better hedging mechanisms against price fluctuations. Over time, the exchange could position India as a major global bullion hub.



BIS Hallmarking Scheme (Mandatory Hallmarking):

The Bureau of Indian Standards (BIS) has made hallmarking of gold jewellery and artefacts mandatory from June 2021, introduced in phases across districts. Under this regime, every gold item must carry the BIS hallmark, carat purity, jeweler's identification mark, and the Assaying and Hallmarking Centre's identification. The policy ensures that customers receive jewellery of certified quality and purity, thereby addressing long-standing concerns around adulteration and under-cartage. For the industry, mandatory hallmarking raises the level of trust, aligns India with international quality norms, and drives consolidation by encouraging compliance-oriented jewelers.

Exemptions for Kundan, Polki and Jadau Jewellery under Government Hallmarking Regulations:

Kundan, Polki and Jadau jewellery products are manufactured and sold in accordance with the applicable Government of India regulations and Bureau of Indian Standards ("BIS") guidelines. Pursuant to Clause 2(3)(k) of the Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, these categories of traditional handcrafted jewellery have been specifically exempted from mandatory hallmarking requirements by the Government of India. Accordingly, the manufacture and sale of such jewellery continue to remain compliant under the applicable regulatory framework prescribed by the Government of India and BIS.

Further, the BIS Guidelines on Exemptions under the Quality Control Order ("QCO") provide official definitions for these jewellery categories. As per the guidelines, Kundan jewellery refers to jewellery made using fine gold foil of minimum 995 fineness, Jadau jewellery refers to jewellery involving mounting or cladding of stones on gold or silver jewellery, and Polki jewellery refers to jewellery containing uncut or irregularly polished stones.¹⁷

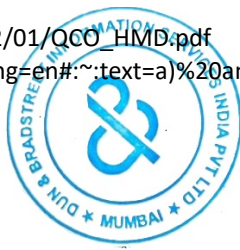
As per the Bureau of Indian Standards ("BIS") Guidelines on Exemptions under the Quality Control Order ("QCO"), certain categories of articles and jewellery are exempted from mandatory hallmarking requirements. These include articles weighing less than two grams, gold bullion in the form of bars, coins, plates, sheets, foil, rods, wires, strips and tubes, gold thread, articles meant for export, jewellery for international and domestic business-to-business exhibitions, unfinished and semi-finished jewellery, articles for medical, dental, veterinary, scientific or industrial purposes, gold watches and fountain pens, as well as special categories of traditional jewellery such as Kundan, Polki and Jadau jewellery.¹⁸

Prevention of Money Laundering Act (PMLA) Amendment:

In December 2020, the Ministry of Finance brought dealers in precious metals and stones under the ambit of the Prevention of Money Laundering Act (PMLA). The amendment requires jewelers and dealers to maintain detailed records of all cash transactions of ₹10 lakh or more with a single customer. This regulatory measure is a significant step toward increasing accountability and transparency in the sector, which has historically been vulnerable to

¹⁷ https://www.bis.gov.in/wp-content/uploads/2022/01/QCO_HMD.pdf

¹⁸ [https://www.bis.gov.in/hallmarking-jewelers/?lang=en#:~:text=a\)%20any%20article,intended%20to%20be](https://www.bis.gov.in/hallmarking-jewelers/?lang=en#:~:text=a)%20any%20article,intended%20to%20be)



unaccounted transactions. For industry, compliance with PMLA not only ensures legal adherence but also enhances credibility with domestic and global financial institutions.

Special Group for Industry Concerns:

In August 2020, the government proposed the formation of a special group comprising customs and banking officials to address sector-specific issues faced by gems and jewellery exporters. This initiative reflects the government's recognition of the sector's contribution to exports and employment generation. By providing a structured mechanism to resolve operational bottlenecks, the special group ensures quicker redressal of industry concerns, especially around compliance, documentation, and international trade barriers.

EDI Connectivity in E-commerce Policy:

The integration of Electronic Data Interchange (EDI) connectivity between postal services and customs has been proposed under India's evolving e-commerce policy framework. This measure allows automatic closure of e-commerce exports against advance credit card payments by foreign buyers, thereby reducing procedural delays. For the gems and jewellery industry, which is witnessing rising online demand globally, this initiative provides an enabling ecosystem for seamless cross-border trade, greater participation in digital exports, and expansion into newer markets with reduced compliance burdens.

Union Budget 2024:

Customs Duty Revisions: In the Union Budget 2024, the Government of India reduced the basic customs duty on gold and silver to 6%, and on platinum to 6.4%. This move is particularly significant for the jewellery industry, as import duties directly affect raw material costs. Lowering customs duties helps reduce price disparities between domestic and international markets, discourages unofficial imports (smuggling), and enhances competitiveness of Indian jewelers in both domestic and export markets. It also supports consumers by making precious metals more affordable, thereby stimulating demand.

Gems & Jewellery Retailing Scenario in India

The gems and Jewellery retailing sector in India are one of the largest in the world, deeply rooted in cultural traditions and driven by strong consumer demand for gold, diamonds, and other precious stones. Jewellery retail accounts for a significant share of India's overall luxury and lifestyle market, with gold Jewellery forming the backbone of consumption due to its dual role as both adornment and investment. The sector is highly fragmented, with a large presence of family-owned regional Jewelers alongside a rising share of organized players, including national chains and branded showrooms. This shift toward organized retail is being fueled by urbanization, evolving consumer preferences, and growing trust in certified quality and hallmarking.

In recent years, the industry has undergone transformation driven by policy reforms such as mandatory BIS hallmarking, reduced import duties, and enhanced transparency in sourcing and pricing. Consumers are increasingly



gravitating towards branded and certified products, boosting the market share of organized retailers. Additionally, digitalization has played a key role, with e-commerce and omni-channel strategies enabling Jewelers to reach new customer segments across urban and semi-urban areas. Festivals, weddings, and gifting traditions continue to anchor demand, while modern designs, lightweight collections, and diamond-studded offerings are attracting younger buyers. Together, these dynamics position India's gems and Jewellery retail sector for steady growth, balancing its cultural legacy with modern retail practices.

Current Market Scenario

India's gems and jewellery retail landscape is a powerful economic pillar constituting approximately **7% of the nation's GDP** and employing between **4.6 to 5 million people** across the value chain. The sector is a global powerhouse, contributing around **15% of India's merchandise exports** and handling **75% of the world's polished diamond exports**. It is marked by a mix of time-honored family-owned regional jewelers and a rising tide of **organized, branded retailers**. These branded players are gaining ground thanks to rising urbanization, consumer preference for certified (hallmarked) jewellery, and growing trust in quality standards.

Government support has played a pivotal role in transforming the sector. Key policy initiatives include **100% Foreign Direct Investment (FDI)** under the automatic route, reduced import duties on gold, silver, and diamonds, and mandates like **BIS hallmarking** to enhance transparency and consumer confidence. Additionally, the sector has received **Authorized Economic Operator (AEO)** status for trade facilitation, benefiting from faster cargo clearance and reduced bank guarantee requirements. The government's export promotion strategies such as funding infrastructure (e.g., common facilities, testing laboratories), organizing buyer-seller meets, and establishing hubs like the Bharat Ratnam Mega CFC further bolster the industry's global competitiveness.

Looking ahead, the **market size** is on an impressive growth trajectory: valued at around **USD 80- 85 billion in FY 2024**, it is forecast to double to **USD 140- 155 billion by FY 2028**. The **organized segment** is expected to grow disproportionately fast from a 36-38% share in FY 2024 to 42- 43% by FY 2028 driven by digital retail penetration, evolving luxury tastes, and modern retail infrastructure. Furthermore, sector reports anticipate the market reaching **USD 128 billion by FY 2029**, with growth fueled by the rise of **lab-grown diamonds (LGDs)**, e-commerce, and digitally enabled, personalized shopping experiences

Retail Channels

Traditional/Unorganized Retailers: Unorganized jewelers, comprising small family-owned shops and local goldsmiths, dominate a large share of India's jewellery market, particularly in tier-2 and rural regions. These outlets rely heavily on long-standing trust and community relationships, with customers often returning to the same jeweler across generations. They cater to customized designs and allow price negotiations, which appeal to traditional buyers. However, lack of hallmarking and transparency in pricing is a common drawback. Despite increasing competition from organized brands, these retailers continue to thrive due to cultural familiarity and



personalized service. Their share, while gradually shrinking, still accounts for most of the gold jewellery sales in rural India.

Organized Brick-and-Mortar Jewellery Chains: Large retail chains such as Tanishq, Malabar Gold & Diamonds, and Kalyan Jewelers have grown rapidly across urban centres and are steadily expanding into tier-2 and tier-3 cities. These stores offer hallmark-certified jewellery, transparent billing, buyback policies, and wide design assortments, enhancing consumer trust. Organized chains are able to leverage strong branding, modern retail formats, and economies of scale. They also invest heavily in marketing campaigns and festive promotions, boosting visibility. These outlets are increasingly preferred by younger generations who value authenticity and branded experiences. Their share of the market has been steadily rising as formalization strengthens under government hallmarking rules.

Department Stores & Multi-Brand Outlets: Department stores and multi-brand jewellery outlets, usually located in malls or high streets, provide a curated collection of jewellery brands under one roof. These stores focus on convenience and variety, especially for urban consumers who want to compare multiple branded offerings. The segment includes both fine jewellery and fashion jewellery, catering to a broader consumer base. Multi-brand retailers also frequently collaborate with global brands, offering international designs in India. Their modern retail environments attract young professionals seeking stylish daily-wear pieces. Although smaller than chain-specific showrooms, they play an important role in driving organized market growth in metros and tier-I cities.

E-Commerce Platforms: Digital retailing has emerged as one of the fastest-growing channels in India's jewellery industry, with brands like CaratLane and Bluestone leading the segment. Major online marketplaces like Amazon and Flipkart also feature certified jewellery, targeting convenience-driven buyers. Online platforms offer transparent pricing, certification, home trials, and easy EMI options, which build consumer trust. Virtual try-ons, 3D product views, and flexible return policies have enhanced digital adoption. E-commerce caters strongly to millennials and Gen Z, who prefer browsing designs online before purchase. While online penetration is still lower compared to offline retail, its double-digit growth trajectory indicates strong future potential.

Omnichannel Retailing: Omnichannel strategies blend online and offline experiences, allowing customers to browse collections digitally while completing purchases in physical stores. Jewellery brands like Tanishq and CaratLane have pioneered features such as "order online, pick up in store" and "home trials." This approach reassures consumers about product authenticity while retaining the convenience of digital platforms. Omnichannel retail also integrates customer data, offering personal recommendations and loyalty rewards. The model is particularly appealing for high-value purchases where buyers want both digital ease and physical verification. Over the next 3- 5 years, omnichannel retail is expected to become the dominant model in India's organized jewellery market.



Direct-to-Consumer (D2C) & Social Commerce: Independent designers and emerging D2C brands are increasingly using Instagram, WhatsApp, and boutique websites to connect directly with customers. These players focus on contemporary, customizable, and trend-driven jewellery collections, resonating with millennials and Gen Z audiences. Social media influencers and content marketing are key drivers of this channel's growth. Many D2C jewelers operate with lean business models, offering competitive pricing and exclusive limited-edition designs. The personalization factor and community-driven engagement make this channel unique. While currently niche compared to large, organized chains, the segment is growing quickly and is expected to expand strongly in the premium fashion and light jewellery categories.

Duty-Free & International Retail Outlets: Duty-free jewellery stores at airports and branded international outlets cater primarily to high-income travelers and Non-Resident Indians (NRIs). These outlets often specialize in luxury diamond jewellery, platinum collections, and premium branded products. They benefit from reduced import duties, offering competitive pricing compared to domestic markets. Many global luxury jewellery brands also use this channel to target India's affluent diaspora. Increasing international travel by Indian consumers is boosting the relevance of this retail format. Though a niche contributor in terms of domestic volume, it strengthens India's positioning in the global luxury jewellery landscape and expands brand exposure abroad.

Impact of E-Commerce Channel

Over the past decade, India's gold retailing landscape has undergone a significant transformation with the rise of e-commerce channels. Traditionally dominated by offline retailers and family jewelers, the sector has opened to online platforms like CaratLane, Bluestone, Melorra, and even large players such as Tanishq integrating digital stores into their sales models. These platforms have made certified gold and diamond jewellery accessible with greater transparency in pricing, product details, and authentication, reducing the information gap that long existed in the industry.

The convenience factor has played a major role in the adoption of online channels. Consumers today can browse thousands of designs, compare prices, and even opt for "try-at-home" services, which allow them to physically see the Jewellery before buying. Secure digital payment options, EMI schemes, and transparent certification have further boosted confidence in purchasing gold online. E-commerce has not only changed the way Jewellery is purchased but also expanded its reach to consumers in smaller cities and towns where branded offline stores may not be present.

Another critical driver has been the digitally savvy younger generation, particularly millennials and Gen Z, who are increasingly comfortable with online shopping and prefer lighter, trendier Jewellery pieces suited for everyday wear. Online retailers have adapted by offering contemporary designs, subscription-based Jewellery plans, and personalized shopping experiences through AI-driven recommendations. Furthermore, the COVID-19 pandemic



accelerated digital adoption, as restrictions on physical shopping compelled consumers and retailers alike to embrace online channels as a safe and efficient alternative.

Greater Transparency in Pricing and Certification: E-commerce has brought unprecedented transparency to gold retailing in India by standardizing pricing and making live gold rates visible to all buyers. Unlike traditional practices where bargaining and hidden charges were common, online platforms clearly outline costs, taxes, and making charges. Certification, such as BIS hallmarking and diamond grading by GIA, has become integral to online purchases, ensuring authenticity and purity. This shift has compelled offline Jewelers to adopt similar transparency and certification practices to retain credibility, thereby raising accountability across the industry.

Expansion of Consumer Reach Beyond Metro Cities: The rise of online Jewellery platforms has allowed retailers to extend their reach beyond metropolitan markets, tapping into tier-2 and tier-3 cities without requiring physical stores. Customers in smaller towns now have access to a wide variety of certified designs through digital catalogues, something previously limited by local inventory. Features such as insured delivery, cash-on-delivery, and easy return policies have further enhanced trust and adoption in these regions. As a result, branded Jewellery has become more accessible and inclusive, broadening the overall consumer base in India's gold retail market.

Shift Toward Lightweight and Contemporary Jewellery: E-commerce has reshaped consumer preferences by popularizing lightweight, fashion-oriented Jewellery suited for daily wear rather than only for traditional or ceremonial use. Online platforms often highlight collections in 14K or 18K gold, making Jewellery more affordable and lifestyle driven. Younger consumers, especially millennials and Gen Z, are increasingly choosing trendy, customizable designs promoted online over conventional heavy ornaments. This trend has also influenced offline retailers, who are expanding their portfolios to include contemporary styles, showing how online retail is driving broader design innovation in the industry.

Rise of Omnichannel Retail Models: The growth of e-commerce has pushed traditional Jewellery chains to adopt omnichannel strategies that combine digital convenience with physical trust. Brands like Tanishq and Malabar now allow customers to browse designs online, schedule home trials, or book in-store visits for final purchases. Virtual consultations and digital catalogues have further enriched the shopping journey, giving buyers more flexibility. By integrating customer data across channels, retailers can personalize offers and strengthen loyalty, making omnichannel retail the preferred model for the future of gold buying in India.

Increased Competition and Consumer Empowerment: E-commerce has intensified competition in India's gold retail sector by giving consumers easy access to multiple brands and price points in one place. Shoppers can now compare designs, certifications, and costs instantly, giving them greater bargaining power and reducing the reliance on a single jeweler. The rise of direct-to-consumer (D2C) brands has further diversified offerings, pushing established retailers to innovate with better services, loyalty programs, and competitive pricing. Ultimately, this competition benefits consumers by improving quality, affordability, and overall shopping experience.



Boost to Formalization of the Jewellery Industry: The online gold retail ecosystem has accelerated the formalization of India's Jewellery sector by making certification and hallmarking a standard requirement. Consumers are increasingly aware of purity and demand certified products, reducing the dominance of unorganized, uncertified local Jewelers. Online platforms' compliance-driven approach aligns closely with government policies, such as mandatory hallmarking, thereby improving industry transparency. Over time, this shift is expected to bring more players into the organized sector, strengthening regulation and boosting confidence among both domestic and international buyers.

Key Challenges

Price Volatility

Gold prices in India are highly sensitive to global economic conditions, currency fluctuations, and geopolitical tensions, making them prone to frequent volatility. For consumers, sudden spikes in prices often lead to deferred purchases, especially for wedding or investment purposes. On the retailer side, volatile prices complicate inventory planning and can result in losses if jewellery is procured at higher costs and sold during downward cycles. Price uncertainty also affects consumer sentiment, as many households' view gold as both an ornament and an investment. While hedging tools and government initiatives like Sovereign Gold Bonds provide some stability, retail demand remains strongly linked to short-term price trends. This challenge requires retailers to balance stock management, pricing strategies, and promotions to sustain sales during unpredictable market conditions.

Supply Chain Disruptions

The Jewellery industry is heavily dependent on complex supply chains that involve gold imports, refining, crafting, and distribution across markets. Disruptions caused by global trade restrictions, shipping delays, or sudden policy changes such as import duty hikes can significantly impact availability and pricing. Domestic challenges like strikes, logistical bottlenecks, or hallmarking delays further strain the flow of goods. Events such as the COVID-19 pandemic highlighted the sector's vulnerability, with extended lockdowns halting both manufacturing and retail activity. Limited access to raw materials often leads to increased costs for retailers and fewer choices for consumers. Strengthening supply chain resilience, diversifying sourcing, and investing in technology-driven logistics have become critical for mitigating such risks in the long run.

Changing Consumer Preferences

Indian consumers, particularly younger generations, are increasingly moving away from heavy, traditional Jewellery towards lightweight, contemporary, and even lab-grown alternatives. This shift in preference has created challenges for traditional Jewelers who primarily catered to wedding and ceremonial markets. Additionally, digital-savvy buyers demand omnichannel experiences, personalized designs, and complete price transparency, which smaller unorganized players often struggle to provide. The growing interest in ethical and sustainable Jewellery, including lab-grown diamonds, also disrupts conventional demand patterns. Retailers must constantly adapt by innovating



designs, updating collections, and investing in digital channels to stay relevant. Failure to respond quickly risks losing market share to newer, more agile players that better align with changing consumer expectations.

Competition

The Indian gems and Jewellery sector are intensely competitive, with unorganized local Jewelers, large established brands, and emerging e-commerce/D2C players all vying for consumer attention. Traditional Jewelers rely on generational trust and personal relationships, while organized chains leverage branding, certifications, and transparent pricing to win customers. Meanwhile, online retailers and social commerce platforms are attracting younger buyers through convenience, trendy designs, and competitive pricing. This multi-front competition makes customer retention increasingly difficult, forcing retailers to differentiate through innovation, loyalty programs, and superior service. Price wars and aggressive promotions further squeeze margins, especially for smaller players. The challenge lies in balancing brand identity with evolving consumer expectations while maintaining profitability in an increasingly crowded market.



Competitive Landscape

The Indian gems and jewellery industry is highly fragmented, with the market historically dominated by a vast network of small family-run jewelers and artisans spread across urban and rural regions. These unorganized players account for a large share of retail sales, particularly in gold jewellery, where trust-based relationships and generational loyalty continue to drive customer engagement. Their strength lies in customized designs, traditional craftsmanship, and competitive pricing. However, the lack of hallmarking, certification, and transparent billing has gradually eroded their dominance, especially in urban centres where customers are increasingly shifting towards branded, organized retailers.

Organized jewellery chains have emerged as strong competitors in recent years, reshaping the industry structure. Leading brands such as Tanishq (Titan Company), Kalyan Jewelers, Malabar Gold & Diamonds, PC Jeweler, and Senco Gold & Diamonds have expanded their footprint across metros and tier-2 cities. These companies differentiate themselves through hallmark-certified products, transparent pricing, buyback guarantees, and modern retail experiences. Heavy investment in advertising, brand building, and celebrity endorsements has further strengthened their market position. Their focus on both wedding jewellery and lightweight daily wear collections allows them to appeal to a wide consumer base, including millennials and Gen Z.

The growing role of e-commerce and digital-first players has introduced a new dimension to competition. Companies like CaratLane, Bluestone, and Melorra have disrupted the market by targeting tech-savvy buyers with contemporary, lightweight, and affordable jewellery collections. By leveraging virtual try-ons, AI-driven recommendations, and home trial services, these platforms provide convenience and transparency that traditional stores often lack. E-commerce has also enabled brands to penetrate tier-2 and tier-3 cities without physical presence, expanding their consumer base. The rising popularity of online jewellery shopping has pushed even established offline chains to adopt omnichannel strategies, blending physical trust with digital convenience.

Another emerging competitive force is the lab-grown diamond (LGD) segment, which is witnessing rapid growth. With rising awareness of sustainability and affordability, LGDs are increasingly being positioned as an alternative to mined diamonds. Indian companies are investing in this category both for domestic retail and export markets, with government support through reduced duties and R&D initiatives. This sub-segment has opened opportunities for new entrants and created fresh competition for established diamond jewelers. The diversification of product offerings is pushing the industry towards innovation in design, marketing, and positioning.

On the global front, India faces competition from international luxury jewellery brands such as Cartier, Tiffany & Co., and Swarovski, which target high-income and aspirational consumers in urban markets. While their share remains, niche compared to domestic players, these brands bring strong global recall and premium positioning. Additionally, duty-free outlets and international retail hubs are competing for the spending of Indian travelers and



NRIs, offering luxury jewellery at competitive prices. This adds further complexity to the competitive landscape as Indian consumers become more exposed to global brands and tastes.

Overall, the Indian gems and jewellery industry is transitioning from a fragmented, unorganized market to a more structured and branded ecosystem. Organized chains and digital platforms are steadily gaining market share, supported by government policies on hallmarking, FDI, and trade facilitation. However, traditional jewelers continue to retain strongholds in rural and semi-urban regions. Competition is intensifying across formats offline, online, and hybrid driving innovation in product design, retail models, and customer engagement. In the coming years, the industry is expected to consolidate further, with organized players and digital-first brands emerging as dominant forces.

Factors Impacting Competition

The Indian gems and jewellery retail market is highly competitive and fragmented, with unorganized jewelers still dominating in terms of numbers, especially in rural and semi-urban regions. These traditional players thrive on personalized relationships, local reputation, and trust built over generations. However, their limited ability to offer certification, transparent pricing, or large-scale branding puts them at a disadvantage compared to emerging organized formats.

Organized jewellery chains such as Tanishq, Malabar, and Kalyan have become increasingly influential by offering hallmark-certified products, consistent designs, and strong after-sales policies. Their ability to scale operations, standardize quality, and expand into tier-2 and tier-3 markets has allowed them to steadily capture market share. These players also leverage branding, store experience, and marketing campaigns to appeal to aspirational and younger customers, setting new benchmarks for professionalism and transparency in the sector.

A new layer of competition has emerged from e-commerce jewelers like CaratLane and Bluestone, who have disrupted the market with digital-first models. By offering lightweight designs, home trials, and virtual try-on features, they appeal strongly to millennials and Gen Z consumers. This digital push has also forced traditional and organized jewelers to adopt omnichannel strategies to remain competitive. Alongside, niche competition from international luxury brands is adding pressure in premium segments, making the retail environment a multi-dimensional and rapidly evolving competitive landscape.

Overall, the nature of competition in India's gems and jewellery retailing is fragmented yet consolidating, as the balance shifts from traditional unorganized players towards organized chains and digital platforms. Competitive intensity is being shaped not only by pricing and trust but also by certification, design innovation, customer experience, and technology integration. This transition reflects a broader industry trend where formalization, regulatory support, and evolving consumer preferences are creating new winners while gradually reducing the dominance of legacy informal networks.



Regulatory Environment: Government regulations such as mandatory BIS hallmarking, import duties on gold, and Goods & Services Tax (GST) directly shape competition by increasing compliance requirements. Hallmarking boosts consumer confidence in organized players while challenging unorganized Jewelers who lack standardization. Duty changes on imports also impact pricing competitiveness between retailers. Increasingly strict regulations are pushing consolidation, benefitting organized chains and digital platforms that can easily comply.

Digital & Technology Adoption: Digital transformation is reshaping the retail scenario, with e-commerce, virtual try-ons, and AI-powered product recommendations gaining popularity. Technology enables omnichannel strategies, giving consumers a seamless online-offline experience. Smaller Jewelers often lag in adopting these tools, giving organized and digital-first brands a competitive edge. Over time, technology will become a key differentiator in customer engagement and retention.

Changing Consumer Preferences: Consumer demand is shifting from traditional heavy Jewellery towards lightweight, trendy, and customized pieces that suit modern lifestyles. Younger generations are also showing interest in sustainable options like lab-grown diamonds. This change in demand is challenging retailers to continuously update collections, invest in design innovation, and cater to evolving tastes. Players who fail to adapt risk losing relevance in a highly dynamic market.

Price Sensitivity and Volatility: Gold prices are highly volatile due to global and domestic factors, which affects both consumers buying behavior and retailer competitiveness. During price surges, consumers delay purchases, while organized retailers often have better mechanisms to hedge against volatility compared to small players. Price transparency in online platforms further intensifies competition, forcing retailers to maintain competitive pricing while safeguarding margins.

Branding and Consumer Trust: Trust has traditionally been the cornerstone of Jewellery retail, but in today's market, branding plays an equally vital role. Organized retailers invest heavily in marketing, celebrity endorsements, and store experiences to strengthen their positioning. In contrast, unorganized players rely on local community trust. Competition now hinges on who can combine credibility with strong brand appeal, especially among aspirational and younger buyers.

E-Commerce & Omnichannel Models: The rise of online jeweler retailing has intensified competition by giving consumers wider choices and price comparisons at their fingertips. Platforms offering flexible payment plans, home trials, and return policies are raising customer expectations. Traditional players adopting omnichannel models are better placed to retain relevance. In contrast, smaller offline Jewelers face challenges in competing with these services, increasing competitive pressure.

Global Competition and Exports: Global Jewellery brands such as Cartier and Tiffany are competing in India's luxury segment, targeting high-income consumers. Simultaneously, India's prominence as a global hub for diamond cutting and polishing brings international players into the domestic space. Trade agreements and duty structures



further impact competitiveness between local and foreign players. This global exposure is driving Indian retailers to enhance product design, quality, and branding standards to stay competitive.



Advit Jewels Limited

Overview

Founded in 2019, in city of Jaipur, Advit Jewels brings the distinguished traditional jewellery roots which spans over 100 years. The business was incorporated with the association of brand “Rambhajo” which was established in 1921 by Shri Kishan Gilara as a local brokerage and trading venture in jewellery segment. The brand grew over time with growing customer base and business and hence the trademark of the company has been “Rambhajo The brand nurtured and built by over four generations and has curated the traditional Kundan and Polki jewellery. The company manufactures and sells traditional and contemporary jewellery made mostly with gold, diamonds and coloured stones. Advit Jewels is driven by a mission to create fine jewellery sourcing ethically and conveys its motto of “Heritage is our foundation, innovation is how we honor it,” reinforcing its commitment to traditional roots and future oriented business.

The company creates jewelry using traditional craftsmanship methods while incorporating modern design elements to reflect both contemporary style and cultural heritage. Its core strength lies in innovative designs and customization based on consumer preferences.

Product offerings:

The offerings of the company include Necklaces, Earrings, Finger Rings, Bangles, Brooch, Nath and customized jewellery pieces. The jewellery pieces range from bridal collection to every day wear luxury pieces made with 14 carat and 18 carat gold as per customer choices. The products manufactured are catered to B2B (i.e Business to Business) such as dealers, showrooms and jewellery retailers and B2C (i.e Business to customers), mostly created on order basis by consumers.

Advit Jewels has a centralized production process and follows the safety and standards in manufacturing ensured by the Quality control and quality assurance team. The movement of precious materials are surveilled by security team. The company currently employs 46 artisans who produce the luxury piece of jewelries. To cater to excess demand, Advit Jewels also has a network of external team of artisans who are outsourced to the task of manufacturing the ordered jewellery pieces.

The company believes in protecting its unique designs and does not make the designs public on websites or other platforms. To cater to prospective customers, they offer private consultations, so as to get a preview of the collection in order to book customized designs. The pieces of jewellery ordered to make usually take about 25 to 30 days to be created by artisans.



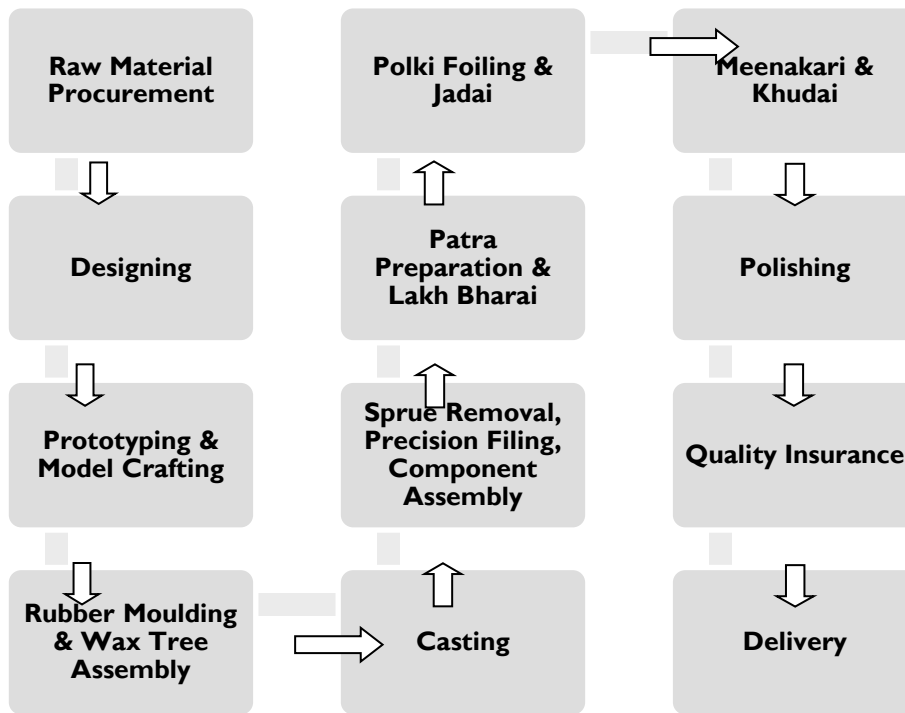
Leadership:

Advit jewels has been led by about four generations of leaders from the Gilara family. The current leadership includes Nitin Gilara, Prateek Gilara, and Vipul Gilara. Mr Nitin Gilara handles the jewellery retail and management whereas Vipul and Prateek manage the customer relation, supply chain and expand the business and explore opportunities.

Manufacturing Capabilities:

The company manufactures jewellery pieces in its leased facility in Jaipur maintained by them. The facility is equipped with modern machines such as 3D printers, casting units and polishing machines. The entire jewellery manufacturing process starting from melting, sheet and chain making, stone setting, polishing, and quality inspection is conducted in-house.

Manufacturing Process:



Capacity Utilization of Manufacturing Facility

Particulars	December 31 2025	FY 2024-25	FY 2023-24	FY 2022-23
Annual Capacity Installed (in Kg.)	400	400.00	400.00	400.00
Actual production (in kg.)	86.308	183.438	172.072	88.654
Capacity Utilisation (%)	21.58%	45.86%	43.02%	22.16%
Total Quantity Sold (in kg)	189.576	239.63	187.62	141.15



Key Strengths

Blend of traditional and Modern Manufacturing process

The company's manufacturing facility combines traditional craftsmanship with cutting-edge technology to produce handcrafted Kundan and Polki jewellery efficiently. It also utilizes advanced equipment such as laser cutting and engraving systems, casting units, progressive and hydraulic press dyes, and 3D printing capabilities. These modern machines are used to transform intricate CAD designs into desired pieces of jewellery in the same facility. This centralized production model allows the company to manage the entire process in-house, ensuring greater operational efficiency, stringent quality control, enhanced security, and optimized costs. Advit jewelers' manufacturing process of handcrafted jewellery is supported by a large team of skilled artisans and designers.

Diversified product offerings across various customer segments:

The product collection includes Antique, Bridal, Traditional, Contemporary, and Fusion styles, spanning various price ranges, occasions, and age groups. The skilled artisans, designers the company is capable of creating unique collections that appeal to various customers. The in-house manufacturing and inventory systems supports the management of wide range of ready-to-sell products for wholesale buyers, enable supply repeat orders, and thus build better B2B relationships. The product development process of the company is based on the customer needs and market demand which is helping the company stay relevant and increase its revenue.

Robust Operational Systems and Risk Mitigation Framework

The business of Advit Jewels is built on internal systems that ensure consistency, compliance, and protection against risks in all areas of operation. Gold is sourced only from authorized bullion suppliers and the security measures protecting it includes 24/7 CCTV surveillance, burglar alarms, fire safety systems, secure storage rooms, and trained security staff. The company also has comprehensive insurance coverage, including protection against theft, terrorism, and natural disasters, to safeguard our operations and assets.

Experienced Leadership

The business is led by promoters with over 20 years of experience in the gold and jewellery industry. Their understanding of the market and vision have helped shape a brand that is focused on customer needs and the trust thus developed. The management team is supported by a skilled senior management team with expertise in design, operations, marketing, and finance. The board of directors ensures good governance and long-term planning for functioning of the company. Together, the leadership team brings the right mix of vision, operational strength, and financial expertise which is key to driving the steady growth in the market.



Commitment to Quality

Quality offered for all the various products stands similar and is scrutinized to meet standards. The jewellery pieces crafted are checked to ensure overall quality by the inhouse Quality team to ensure consistency of the finish delivered by the company. The focus on quality control and assurance by the company has helped build customer trust, support premium brand image, and reputation in the long run.

Peer Companies profiling

Name	Profile
Radhika Jeweltech Limited	<p>Radhika Jeweltech Limited was incorporated in 2016 and is based in Rajkot, Gujarat. The company is engaged in the retail of jewellery made from gold, diamond, and precious stones, with a focus on wedding and festive categories.</p> <p>The company operates a large-format showroom in Rajkot, catering to customers across jewellery segments and price ranges. Its product mix includes both standardized designs and customized pieces created for specific requirements.</p> <p>The company's business model is primarily retail-driven, supported by design development and sourcing functions. It has positioned itself as a regional player with emphasis on scale and showroom-led operations.</p> <p>Radhika Jeweltech Limited was listed on the BSE SME platform on 27th September 2016</p>
Bluestone Jewelers & Lifestyle Limited	<p>Bluestone Jewelers Limited was incorporated in 2011 in Bangalore, Karnataka as an e-commerce portal for fine jewellery. It retails jewellery made from gold, diamond, platinum, silver, and precious stones. Its offerings span festive, office wear and daily-wear jewellery.</p> <p>The company has built a wide retail network stores of 306 across India and is gradually expanding. They sell 18k and 22k jewellery at affordable prices and offer variety of collections. It offers jewellery certified by GSI, IGI and SGL.</p>



RBZ Jewelers Limited

RBZ Jewelers Limited has an experience of 15 years and was a part of sole proprietorship tilted 'M/s. Rajubhai Bababhai Zaveri' in the year 2004. To begin business as a corporate entity, the firm was incorporated as RBZ Jewelers Pvt Ltd in 2008. They are manufacturers of gold ornaments and are specialized in Antique gold jewellery and distribute to various retailers with stores across the country. They manufacture jewellery on a wholesale scale at their factory situated in Ahmedabad, Gujarat spanning 23966 sq.m. Their retail showroom in Ahmedabad of area 11,667 sq. ft. Their customer base includes national, regional and local family jewelers located across 19 States and 72 cities within India.

The company exports jewellery to Middle Eastern Region. They manufacture the jewellery pieces through modern and traditional artisans and employ about 185 artisans.



Particular	Unit	Advit Jewels Limited				Radhika Jeweltech Limited			
		Fiscal 2026 (Till Dec)	As at end of the Fiscal			As at end of the Fiscal			
			FY'25	FY'24	FY'23	Fiscal 2026 (Till Dec)	FY'25	FY'24	FY'23
Revenue From Operations	₹ in Lakhs	12,379.01	12,493.73	6,944.26	4,660.41	44,577.76	58,778.71	54,406.49	31,272.85
Growth in Revenue Operations	In %	-0.92%	79.91%	49.01%	-	-24.16%	8.04%	73.97%	-
Gross Profit	In Lakhs	4,221.02	4,109.16	1,974.45	1,305.45	10,697.18	11,130.21	9,083.29	5,704.38
Gross Profit Margin	In (%)	34.10%	32.89%	28.43%	28.01%	24.00%	18.94%	16.70%	18.24%
EBITDA	₹ in Lakhs	3,667.61	3,714.67	1,895.17	1,277.43	9,279.28	8,922.44	7,009.27	4,082.15
EBITDA Margin	in %	29.63%	29.73%	27.29%	27.41%	20.82%	15.18%	12.88%	13.05%
PAT	₹ in Lakhs	2,544.24	2,536.71	1,471.04	1,038.98	6,725.63	6,010.68	4,953.48	2,965.97
PAT Margin	in %	20.55%	2 ¹ 0.30%	21.18%	22.29%	15.09%	10.23%	9.10%	9.48%
Return on Equity (ROE)	in %	35.89%	55.79%	57.82%	80.51%	NA	20.46%	20.62%	14.72%
Return on Capital Employed (ROCE)	in %	24.09%	27.48%	35.41%	53.02%	NA	24.02%	22.00%	16.49%
Net working Capital Days	In Days	-	159.09	164.84	139.93	NA	199.16	175.84	241.48
Operating Cash Flow	₹ in Lakhs	1,782.96	(3,697.69)	(1,049.33)	(277.25)	NA	1,656.55	(2,584.88)	(2,395.09)
Earnings per Share (Basic)		7.95	7.92	4.60	3.25	5.7	5.09	4.20	2.52
Earnings per Share (Diluted)		7.95	7.92	4.60	3.25	5.7	5.09	4.20	2.52
Operating Profit before Working Capital Changes	₹ in Lakhs	3,677.30	3,711.09	1,897.57	1,280.39	NA	8,937.26	7,158.66	4,115.28
Current Ratio		2.08	1.76	1.93	2.66	NA	8.30	6.70	7.29
NAV per Equity Share		-	18.16	10.25	5.65	NA	27.34	22.45	18.25
Net Worth	₹ in Lakhs	8,365.16	5,813.42	3,280.29	1,807.82	NA	32,265.29	26,490.61	21,537.14
Return on Net Worth	in %	30.41%	43.64%	44.84%	57.47%	NA	18.63%	18.70%	13.79%

¹⁹ The financial data presented in the above table is added as per the data provided by the client and is not vetted by D & B .

²⁰ Balance sheet and cash flow statements for the 9-month period are not available for Radhika Jeweltech Limited, RBZ Limited, and Bluestone Jewellery Limited.



Particular	Unit	RBZ Limited				Bluestone Jewellery Limited			
		As at end of the Fiscal				As at end of the Fiscal			
		Fiscal 2026 (Till Dec)	FY'25	FY'24	FY'23	Fiscal 2026 (Till Dec)	FY'25	FY'24	FY'23
Revenue From Operations	₹ in Lakhs	44,699.66	53,014.85	32,742.93	28,792.78	1,75,357.00	1,77,000.20	1,26,583.90	77,072.60
Growth in Revenue Operations	In %	-15.68%	61.91%	13.72%	-	-0.01	39.83%	64.24%	-
Gross Profit	In Lakhs	11,382.64	9,118.29	5,529.57	5,232.81	74,324.10	67,151.30	51,149.80	24,560.50
Gross Profit Margin	In (%)	25.46%	17.20%	16.89%	18.17%	42.38%	37.94%	40.41%	31.87%
EBITDA	₹ in Lakhs	7,071.26	6,429.03	3,847.94	3,776.36	26,596.00	7,588.50	5,304.90	(5,603.30)
EBITDA Margin	in %	15.82%	12.13%	11.75%	13.12%	15.17%	4.29%	4.19%	(7.27%)
PAT	₹ in Lakhs	4311.65	3879.85	2,161.02	2,243.52	-1,044.20	(21,921.40)	(14,223.6)	(16,724.40)
PAT Margin	in %	9.65%	7.33%	6.60%	7.79%	-0.60%	(12.38%)	(11.24%)	(21.70%)
Return on Equity	in %	NA	17.15%	14.38%	27.49%	NA	(34.00%)	(94.09%)	(18.00%)
Return on Capital Employed (ROCE)	in %	NA	18.61%	13.64%	20.08%	NA	(0.95%)	(0.95%)	(118.00%)
Net working Capital Days	In Days	NA	148.78	222.66	115.60	NA	(104.63)	(26.18)	(30.57)
Operating Cash Flows	₹ in Lakhs	NA	(1492.45)	(4,821.46)	(1,122.74)	NA	(66,484.10)	(18,116.40)	(2,713.50)
Earnings per Share (Basic)		10.78	9.70	5.39	7.44	-0.96	-78.86	-78.36	-92.14
Earnings per Share (Diluted)		10.78	9.70	5.39	7.44	-0.96	-78.86	-78.36	-92.14
Operating Profit before Working Capital Changes	₹ in Lakhs	NA	6,503.31	3,869.15	3,775.87	NA	12,723.80	8,181.80	-3,005.20
Current Ratio		NA	3.15	4.61	2.02	NA	1.24	0.94	0.92
NAV per Equity Share		NA	61.26	51.87	30.82	NA	363.96	143.48	-96.88
Net Worth	₹ in Lakhs	NA	24,504.18	20,749.22	9,246.77	NA	91,334.40	37,417.20	-7,182.60
Return on Net Worth	in %	NA	15.83%	10.40%	24.15%	NA	-24.00%	-38.01%	232.85%

- (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- (2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant year minus Revenue from Operations of the preceding year, divided by Revenue from Operations of the preceding year.
- (3) Gross Profit is calculated as Revenue from Operations less Cost of Goods Sold.
- (4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- (5) EBITDA is calculated as profit for the period/year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), Finance costs and depreciation and amortization expenses and minus other income.
- (6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- (7) Profit After Tax Means Profits for the period/year as appearing in the Restated Financial Statements.
- (8) PAT Margin (%) is calculated as Profits for the period/year as a percentage of Revenue from Operations.



(9) ROE (Return on Equity) (%) is calculated as net profit after tax (PAT) for the period/year divided by Average Shareholder Equity.

(10) ROCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by capital employed.

(11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Fixed Assets which consists of property, equipment and Intangible Assets.

(12) Net Working Capital Days are calculated as working capital (current assets minus current liabilities) as at the end of the year divided by revenue from operations multiplied by number of days in a year.

(13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Financial Statements.

(14) Earnings per Share (Basic) is calculated as defined in Ind As-33 issued by ICAI.

(15) Earnings per Share (Diluted) is calculated as defined in Ind As-33 issued by ICAI.

(16) Operating Profit before Working Capital Changes means cash generated before change of working capital adjustments.

(17) Current Ratio is calculated as current assets divided by current liabilities.

(18) NAV per Equity Share is calculated as Equity attributable to equity holders of the Company divided by weighted average number of shares outstanding at the end of period/year.

(19) Net Worth means Equity attributable to equity holders of the Company as mentioned in the Restated Financial Statements.

(20) Return on Net Worth is calculated as restated profit for the period/year attributable to the parent divided by net worth

****All the information for listed industry peers mentioned above is on a standalone basis and is sourced from their respective audited/unaudited financial results and/or annual report.**

