...continued from previous page.

14. Concentration Risk: Our manufacturing facility and showroom are located only in Ahmedabad, Gujarat. Any adverse development affecting such region may have an adverse effect on our business, prospects, financial condition, and results of operations.
15. Our Promoters will continue to retain significant control in our Company, which will allow them to influence the outcome of matters submitted to shareholders for approval.
16. Our income and sales are subject to seasonal fluctuations and lower income in a peak season may have a disproportionate effect on our results of operations.
17. If we fail to convert existing customers into repeat customers or to acquire new customers, our business, financial condition, and results of operations could have an adverse effect.
18. Average cost of acquisition of Equity Shares by the Promoters is 1.35 and 0.82 per Equity Share and Issue Price at upper end of the Price Band is ₹100/- per Equity Share.
19. The weighted average return on Net Worth for Fiscals 2023, 2022 and 2021 is 21.86%.
20. The weighted average cost of acquisition of all shares transacted in past one year, eighteen months and three years preceding the date of the RHP.

Period preceding the date of Red Herring Prospectus	Weighted Average cost of acquisition (in ₹)	Cap Price is "X" times the weighted average cost of acquisition	Range of acquisition price: Lower price – highest price (₹)
Last 1 year, last 18 months and last 3 years	Nil**	Not Applicable	Not Applicable

***Cost is Nil due to issuance of Equity Shares pursuant to bonus issue and transfer of shares by way of gift – as certified by G. K. Choksi & Co., Chartered Accountants, by way of their certificate dated December 02, 2023*

21. The BRLM associated with the Issue has handled 1 public issue in the past three years and the same has not closed below the offer price on listing date.

BID/ ISSUE SCHEDULE

ANCHOR INVESTOR BID/ISSUE PERIOD MONDAY, DECEMBER 18, 2023[1]

BID/ISSUE OPENS ON TUESDAY, DECEMBER 19, 2023[2]

BID/ ISSUECLOSES ON THURSDAY, DECEMBER 21, 2023[3]

[1] *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investors shall Bid on the Anchor Investor Bidding Date, i.e., one Working Day prior to the Bid/Issue Opening Date.*
[2] *Our Company, in consultation with the BRLMs, may consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*
[3] *The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.*

BASIS FOR ISSUE PRICE

The Price Band and the issue price has been determined by our Company, in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares issued through Book Building Process and the quantitative and qualitative factors as described below and is justified in view of these parameters. The face value of the Equity Shares is ₹ 10/- and the Floor Price is 9.5 times the face of the Equity Shares and the Cap Price is 10 times the face value of the Equity Shares.

Investors should also refer to the sections titled *"Risk Factors"*, *"Our Business"*, *"Financial Information"*, *"Other Financial Information"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 32, 164, 232, 315 and 321 of the RHP respectively, to have an informed view before making an investment decision.

Unless stated otherwise, industry and market data used in the Red Herring Prospectus has been obtained or derived from the Care Edge Report and commissioned in connection with the Issue. Care Edge Research is an independent agency and has no relationship with our Company or its Directors, Promoters or the BRLM as on the date of the Red Herring Prospectus. Care Edge has confirmed that information contained in the Report has been obtained or derived from publicly available sources and interaction with industry participants, which they consider as reliable and after exercise of reasonable care and diligence by them. The Care Edge Report is also available at our Company's website at www.rbzjewellers.com.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the Issue Price are:

- Organised manufacturing setup under one roof;
- Client mix and geographical spread enhancing understanding of customer preference and emerging trends;
- Design and Innovation in our product range;
- Brand built on the core values of trust, transparency and innovation;
- Effective operations and internal control to achieve efficiency and reduce risks;
- Experienced Promoters with young leadership and a demonstrated track record supported by experienced senior management team and board of directors.

For details, see *"Our Business – Our Strengths"* on page 164 of the RHP.

Quantitative Factors

Some of the information presented in the chapter *"Basis for Issue Price"* is derived from the Restated Financial Statements. For further information, see *"Financial Information"* beginning on page 232 of the RHP.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Basic and Diluted Earnings Per Share ("EPS"), as adjusted for changes in capital:

Fiscal / Period ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2023	7.44	7.44	3
March 31, 2022	4.80	4.80	2
March 31, 2021	3.12	3.12	1
Weighted Average	5.84	5.84	
For the six months period ended on September 30, 2023*	4.03	4.03	

**Not annualised*

Notes:

i. The face value of each Equity Share is ₹ 10.
ii. Basic and Diluted Earnings per share = Restated Net profit after tax attributable to equity shareholders /Weighted average number of Equity Shares outstanding during the period/year.
iii. Weighted average = average of year wise weighted earning per share divided by the aggregate of weights i.e., (Earning per share x weight) for each year / total of weights.
iv. The EPS calculations have been done in accordance with IndAS 33 issued by MCA, read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.

2. Price/Earning ("P/E") ratio in relation to the Price Band of ₹ 95 to ₹ 100 per Equity Share

Particulars	P/E at floor price (no. of times)	P/E at cap price (no. of times)
Based on basic and diluted EPS of ₹ 7.44 as per the restated Financial Information for the year ended March 31, 2023	12.77	13.44

3. Industry Peer Group P/E ratio

The industry high and low has been considered from the industry peer set provided later in this section.

The industry average has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. For further details, see *"Comparison of accounting ratios with listed industry peers"* on page 111 of the RHP.

Particulars	P/E Ratio
Highest	93.06
Lowest	14.96
Average	54.01

Note:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. For further details, see Comparison of Accounting Ratios with listed industry peers" on page 111 of the RHP. P/E figures for the peer are computed based on closing price as on November 23, 2023 on BSE, divided by diluted EPS for the Financial Year 2023.

4. Return on Net Worth ("RoNW")

Fiscal / Period ended	RoNW	Weight
March 31, 2023	24.15%	3
March 31, 2022	20.57%	2
March 31, 2021	17.55%	1
Weighted average	21.86%	
Six months period ended September 30, 2023*	11.57%	

**Not annualised*

Note:

Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

Return on Net Worth=Profit after tax for the period / year divided by total equity as at year end date.

5. Net Asset Value per Equity Share ("NAV")

Net Asset Value per Equity Share	Amount (₹)
As on September 30, 2023	34.86
As on March 31, 2023	30.82
After the IPO	
At floor price	49.89
At cap price	51.14
IPO price	[•]

6. Comparison of accounting ratios with listed industry peers

We believe following is our peer group which has been determined on the basis of listed public companies operating in the same industry and in the similar line of segments i.e., gold jewellery, in which our Company operates; and whose business segment in part or full may be comparable with that of our business and we may have business relationship with them, however, the same may not be exactly comparable in size or business portfolio on a whole with that of our business.

Name of the Company	Face value (₹ per share)	Total Income for financial year 2023 (₹ lakhs)	EPS for financial year 2023 (₹) Basic	EPS for financial year 2023 (₹) Diluted	NAV per equity share	P/E (Based on Diluted EPS)	RONW (%)
RBZ Jewellers Limited	10	28,962.62	7.44	7.44	30.82	at Floor Price : 12.77 at Cap Price : 13.44	24.15%
Kalyan Jewellers Limited	10	14,10,933.80	4.20	4.20	35.28	78.33	11.88%
Senco Gold Ltd*	10	4,10,854.00	22.93	22.87	156.51	32.50	13.04%
Thangamayil Jewellery Ltd	10	3,15,590.00	58.13	58.13	283.38	24.78	20.50%
D P Abhushan Limited	10	1,97,535.00	20.33	20.33	81.36	28.46	25.02%
Titan Company Limited	1	40,88,300.00	36.61	36.61	134.09	93.06	27.50%
Ashapuri Gold Ornament Limited	10	15,813.69	0.71	0.71	33.01	14.96	2.16%
Sky Gold Limited	10	1,15,475.63	17.32	17.32	91.34	49.46	18.96%

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) from the audited financial statements of the respective companies for the year ended March 31, 2023 submitted to stock exchanges and from the respective company website.

Notes:

- *Considering the nature, range of products/services, turnover and size of business of our Company, the peers are not strictly comparable. However, above companies have been included for broad comparison*
- *P/E Ratio has been computed based on the closing market price of equity shares on NSE / BSE as on November 23, 2023, divided by the Diluted EPS.*
- *Return on Net Worth=Profit after tax for the period / year divided by total equity as at year end date.*
- *NAV is computed as the total equity at the end of the year divided by the outstanding number of equity shares at the end of the year including effect of compulsorily convertible non-cumulative preference shares.*
- *Our Company's IPO is a Book Built Issue and price band for the same shall be published 2 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation*
- *The price band/floor price/Issue Price shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the equity shares by way of Book Building and is justified based on the above qualitative and quantitative parameters.*
- ** Considering the listing of Senco Gold Limited after March 31, 2023, relevant ratios have been taken on the basis of post issue capital.*

7. Key Performance Indicators ("KPIs")

Set forth below are details as of and for the six months period ended on September 30, 2023 and for the Financial Years ended March 31, 2021, March 31, 2022 and March 31, 2023 along with appropriate explanation of the KPIs material to our business, as identified by our Company as would have a bearing upon the basis for the Issue Price. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our business in comparison to our peers.

Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three (3) years period prior to the date of filing of the Red Herring Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in section *"Objects of the Issue"*, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

The KPIs included herein have been approved by the Audit Committee in its meeting dated October 13, 2023. Additionally, the KPIs have been certified by way of certificate dated December 02, 2023, issued by M/s. G.K. Choksi & Co., Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The certificate dated December 02, 2023 issued by M/s. G.K. Choksi & Co., Chartered Accountants has been included in *"Material Contracts and Documents for Inspection – Material Documents"* on page 426 of the RHP.

The KPIs of our Company have been disclosed in the sections titled *"Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"* on pages 164 and 321 of the RHP respectively. We have described and defined the KPIs, as applicable, in *"Definitions and Abbreviations"* on page 6 of the RHP.

Particulars	As on September 30, 2023	FY 2022-23	FY 2021-2022	FY 2020-2021	CAGR
Quantity sold and processed (Kg.)	566.46	1,058.06	940.99	622.96	30.32%
Revenue from Operations (₹ in lakhs)	12,545.68	28,792.78	25,210.67	10,699.13	64.05%
EBITDA (₹ in lakhs)	2,183.10	3,946.20	2,719.18	2116.18	36.56%
EBITDA Margin (%)	17.40%	13.71%	10.79%	19.78%	-
PAT (₹ in lakhs)	1,209.39	2,233.31	1,440.57	974.82	51.36%
PAT Margin (%)	9.64%	7.76%	5.71%	9.11%	-
RoE (%)	12.28%*	27.49%	22.94%	19.11%	-
RoCE (%)	10.17%*	20.08%	19.06%	16.82%	-

Notes:

- *Quantity sold and processed refers to the quantum of net gold jewellery which is processed / manufactured / purchased (excluding gold bars and coins) sold to our customers under wholesale and retail segments and also on a job work basis. The quantum of jewellery manufactured by us and sold on wholesale and retail basis is considered as quantity manufactured. Certain items which are purchased from others are considered as quantity purchased. The quantum of gold jewellery manufactured and processed by us on job work basis which is considered as quantity processed.*
- *"EBITDA" and "EBITDA margin" are Non-GAAP financial measures. EBITDA refers to our restated profit for the year/period, as adjusted to exclude (ii) depreciation and amortization expenses, (ii) finance costs and (iii) total tax expenses. EBITDA Margin refers to the percentage margin derived by dividing EBITDA by revenue from operations.*
- *"RoE" means return on equity, which represents Profit after tax during the relevant year / period divided by Average Equity. Average equity is calculated as average of opening and closing balance of total equity for the year / period.*
- *"RoCE" means return on capital employed, which represents EBIT (Earnings before Interest and Tax) during the relevant year/period as a percentage of capital employed. Capital employed is the total of all types of capital, other equity, total borrowings, total lease liabilities and deferred tax liabilities (net) less deferred tax assets (net) as of the end of the relevant year/period.*

** The RoE and RoCE are for six months period ended on September 30, 2023 and hence not comparable with the annual figures of financial years ended on March 31, 2023, March 31, 2022 and March 31, 2021.*

Explanation for the KPIs regarding usage by management to historically analyze, track and monitor the operational and/or financial performance of the Company:

KPI	Description
Quantity sold and processed in Kg	Our business model comprises of wholesale and retail segments and in wholesale, we also do manufacturing of gold jewellery on job work basis. The business requirements and working capital cycle for each segment is different. The business mix of these segments determines the turnover which comprise of only wholesale and retail sales. The volume growth in job work segment may not impact the turnover significantly but it contributes to the overall profitability. We use this KPI to gauge the business growth of the Company to assess and arrange the working capital for the Company.
Revenue from operations	Revenue from operations represents the total turnover of the business as well as provides information regarding the year over year growth of our Company
EBITDA	EBITDA provides information regarding the operational efficiency of the business and is considered by the management as an important element to monitor business growth in absolute term irrespective of the sales mix.
EBITDA Margin	EBITDA Margin is an indicator of the operational profitability and financial performance of our business. However, the same is not used to assess yearon-year performance since the margin is greatly affected by the sales mix as explained in the KPI of quantity sold and processed.
PAT	Profit after tax provides information regarding the overall profitability of the business from all the segments explained above.
PAT margin	PAT Margin is an indicator of the overall profitability and financial performance of our business in reference to the turnover.
RoE	RoE provides how efficiently our Company generates profits from shareholders' funds
RoCE	RoCE provides how efficiently our Company generates earnings from the capital employed in the business

We shall continue to disclose these KPIs, atleast on an annual basis, for a duration that is at least the later of (i) one (1) year after the listing date; or (ii) till the utilization of the issue proceeds disclosed in the Objects of the Issue section of the Red Herring Prospectus. We confirm that the ongoing KPIs would be certified by the Statutory Auditor of our Company.

For details of our other operating metrics disclosed elsewhere in this Prospectus, see *"Our Business"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on pages 164 and 321 of the RHP, respectively.

8. Comparison With Listed Industry Peers

Set forth below is a comparison of business description with our companies listed in India:

Particulars	Thangamayil Jewellery Limited	D P Abhushan Limited	Titan Company Limited	Ashapuri Gold Ornament Limited	Sky Gold Limited	RBZ Jewellers
Business description	Retailing of gold, silver, diamond, and platinum jewelry (primarily catering to the rural segment)	Manufacturing, sale and trading of gold jewelry, diamond-studded jewelry, platinum jewelry, silver jewelry and other precious metals through wholesale and retail trade.	Manufacturer, designer, brand owner, marketer, retailer in gold, diamond and platinum Jewellery. Also manufacturers watches and Eye Wear and other wearables.	Primarily Wholesale trading and Manufacturing of Gold Ornaments and gold articles	Designing, Manufacturing and sale of plain gold jewellery through a B2B model (specialised in light weight jewellery of 22 Carat gold)	Manufacturing, wholesaler, retail, and jobwork for antique finished premium Gold jewellery

Source: Websites of BSE, NSE and the Annual Reports of the respective companies.

Particulars	Kalyan Jewellers Ltd	Senco Gold Ltd
Business description	Product basket includes wide range of gold, studded and other jewellery products;	Product basket includes wide range of gold, studded and other jewellery products; Pan-India presence

Source: Websites of BSE, NSE and the Annual Reports of the respective companies.

Rationale for selecting the above listed peers: based on issuer's business model our analysis of other listed players, the above companies were found to have similarity to business model of the issuer as disclosed above and considered as peers.

Set forth below is a comparison of our KPIs with our peer group companies listed in India:

(₹ In lakhs)

Particulars	RBZ Jewellers Limited			Thangamayil Jewellery Ltd			D P Abhushan Limited		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Quantity sold and processed (kg)	622.96	940.99	1,058.06	3,433.00	4,054.00	5,064.00	Not Available	Not Available	Not Available
Revenue from operations	10,699.13	25,210.67	28,792.78	1,81,861.88	2,19,308.00	3,15,255.00	1,21,816.90	1,73,137.99	1,97,512.02
Earnings before interest, tax, depreciation and amortization ("EBITDA")	2,116.18	2,719.18	3,946.20	14,934.71	8,786.00	15,625.00	5,137.54	7,516.75	7,858.33
EBITDA Margin	19.78%	10.79%	13.71%	8.21%	4.01%	4.96%	4.22%	4.34%	3.98%
Profit After Tax (PAT)	974.82	1,440.57	2,233.31	8,658.42	3,855.00	7,974.00	2,740.19	4,043.54	4,531.69
PAT Margin	9.11%	5.71%	7.76%	4.76%	1.76%	2.53%	2.25%	2.34%	2.29%
Return on Equity (ROE) (%)	19.11%	22.94%	27.49%	33.43%	12.39%	22.37%	32.86%	34.39%	28.40%
Return on Capital Employed (ROCE) (%)	16.82%	19.06%	20.08%	24.23%	10.53%	14.92%	17.77%	23.08%	24.48%

(₹ In lakhs)

Particulars	Titan Company Limited			Ashapuri Gold Ornaments Limited			Sky Gold Limited		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Quantity sold and processed (kg)	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Revenue from operations	21,64,400.00	28,79,900.00	40,57,500.00	11,754.83	16,385.06	15,800.63	79,554.06	78,570.20	1,15,380.07
Earnings before interest, tax, depreciation and amortization ("EBITDA")	1,91,000.00	3,57,500.00	5,18,700.00	396.13	533.63	377.11	1,288.67	3,084.71	3,726.90
EBITDA Margin	8.82%	12.41%	12.78%	3.37%	3.26%	2.39%	1.62%	3.93%	3.23%
Profit After Tax (PAT)	97,400.00	2,19,800.00	3,27,400.00	255.03	307.00	178.66	481.25	1,695.11	1,860.88
PAT Margin	4.50%	7.63%	8.07%	2.17%	1.87%	1.13%	0.60%	2.16%	1.61%
Return on Equity (ROE) (%)	13.75%	26.11%	30.83%	4.16%	3.88%	2.19%	9.04%	24.97%	21.28%
Return on Capital Employed (ROCE) (%)	17.17%	28.32%	29.71%	4.40%	4.97%	3.06%	9.47%	17.38%	14.45%

(₹ In lakhs)

Particulars	Kalyan Jewellers Limited			Senco Gold Limited*		
	2021	2022	2023	2021	2022	2023
Quantity sold and processed (kg)	Not Available	Not Available	Not Available	Not Available	Not Available	Not Available
Revenue from operations	8,57,330.50	10,81,793.40	14,07,144.70	2,66,037.90	3,43,466.10	4,07,740.40
Earnings before interest, tax, depreciation and amortization ("EBITDA")	59,430.60	81,450.00	1,11,400.00	18,986.90	28,995.30	34,775.80
EBITDA Margin	6.90%	7.50%	7.90%	7.13%	8.20%	8.52%
Profit After Tax (PAT)	(607.30)	22,403.00	43,193.20	6,148.20	12,910.20	15,847.90
PAT Margin	(0.07%)	2.07%	3.07%	2.1%	3.65%	3.89%
Return on Equity (ROE) (%)	(0.30%)	7.50%	12.76%	7.26%	13.82%	14.33%
Return on Capital Employed (ROCE) (%)	7.00%	15.5%	20.00%	9.76%	12.34%	11.69%

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