

April 9, 2026

Carving a niche in evolving jewellery wardrobe...

About the stock: BlueStone Jewellery & Lifestyle Ltd. (BlueStone), founded in 2011, is an omnichannel, digital first direct to consumer (D2C) jewellery retailer in India focused on contemporary lifestyle jewellery. It is the 2nd largest player in studded segment in India. The company operates on an omnichannel model with pan-India presence through 323 stores.

Investment Rationale

Differential business model aiding strong revenue and EBIDTA growth: BlueStone differentiates itself from other branded jewellery players on back of its unique product profile, higher studded mix and omni channel distribution route enable it to deliver strong revenue growth with higher gross margins. It caters to rising consumer demand for daily wear and non-wedding occasional jewellery segments, which are expected to grow by 18-21% vs. 6-9% growth in traditional wedding jewellery segment in the coming years. With higher studded mix of ~68%, the company achieves higher gross margins of 38% compared to traditional jewellery player's gross margins of 15-20%. Differentiated business model aided its revenues to grow at a CAGR of 56% over FY22-25 to Rs1,770cr in FY25. Strong omni channel strategy and improved conversion per store helped it to achieve EBIDTA of Rs75cr in FY25 as against EBIDTA loss of Rs26.5cr in FY22.

Omni channel strategy - a right formula for growth: Omni channel presence created a multiplier effect for BlueStone by seamlessly connecting its online presence with a steady expanding physical retail footprint. The strategy enabled the company to increase its customer base by 2.0x to 7.7 lakh customers in FY25 (& 9.0 lakh customer base in 9MFY26) from 3.9 lakh customers in FY23. The increase in customer base reflected in BlueStone's operating model wherein ~70-80% of its overall sales is influenced online and finally converted to sale through 323 stores. Around 75% of the total stores are break-even within three months of commencing operations. Out of 323 stores around 150+ stores are nearing ~Rs.10cr annualised revenue per store per month with clear runway to scale up to ~Rs.14cr annualised revenue per store per month. Around 18 stores opened in FY19-20 are generating revenues of Rs10cr and generating pre-Ind AS EBIDTA margins of 24%, which provides visibility of strong revenue growth and margin expansion with large part of new stores expected to attain maturity in the coming years.

Revenues to grow at CAGR of 32%; EBIDTA margins to expand by 1000bps over FY25-28E: BlueStone's focused approach towards design-led offering, higher studded mix and omnichannel execution will help it address larger customer base compared to other traditional players. With sizeable number of stores maturing ahead coupled with high repeat revenue ratio and diverse customer base, we expect BlueStone's revenues to grow at ~32% CAGR over FY25-28E to Rs.4030.5cr. This along with higher gross margins at 38% and improved operating leverage will help in driving 1000bps expansion in the EBIDTA margins to 14%+ over FY25-28E. With improvement in the profitability and stable working capital requirement, return profile of the company is expected to consistently improve in the coming years.

Rating and Target Price: BlueStone will benefit from changing consumption trend in the jewellery segment and achieve certain scale in the coming years. **We recommend Buy on the stock assigning price target of Rs.600 (valuing at 19x FY28E EV/EBIDTA).**

Key Financial Summary

Key Financials (Rs Crore)	FY23	FY24	FY25	2 year CAGR (FY23-25)	FY26E	FY27E	FY28E	3 year CAGR (FY25-28E)
Revenues	770.7	1265.8	1770.0	51.5	2381.4	3281.1	4030.5	32%
EBIDTA	-56.0	53.0	75.1	-	238.7	430.5	580.0	98%
EBIDTA Margins(%)	-7.3	4.2	4.2	-	10.0	13.1	14.4	-
Adjusted PAT	-167.2	-142.2	-219.9	-	-132.1	13.6	120.1	-
EPS (Rs.)	-11.0	-9.3	-14.4	-	-8.7	0.9	7.9	-
PE (x)	-41.7	-49.0	-31.7	-	-52.8	511.5	58.0	-
EV to EBIDTA (x)	-140.1	160.8	118.5	-	36.3	21.2	16.0	-
RoE (%)	-	-94.1	-34.2	-	-10.6	0.9	7.3	-
RoCE (%)	-14.3	-3.0	-2.8	-	2.0	5.5	7.4	-

Source: Company, ICICI Direct Research



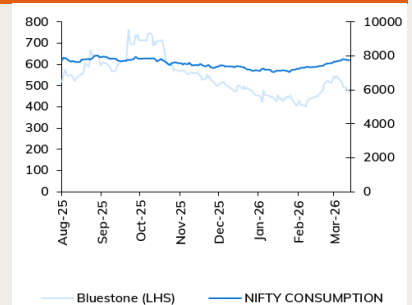
Particulars

Particular	Amount
Market Capitalisation (Rs crore)	6971
Debt (FY25) - Rs crore	2164
Cash (FY25) - Rs crore	238
EV (Rs crore)	8897
52 week H/L (Rs)	793 / 400
Equity capital (Rs crore)	15.2
Face value (Rs)	1

Shareholding pattern

	Mar-25	Jun-25	Sep-25	Dec-25
Promoters	-	-	16.4	16.4
FII	-	-	35.2	34.9
DII	-	-	32.5	32.5
Others	-	-	15.9	16.2

Price Chart



Key risks

- Operates in and highly competitive market.
- Fluctuation in gold and precious stones can impact the margins.
- Instability in macroeconomic and geopolitical environment can impact discretionary purchases.

Research Analyst

Kaustubh Pawaskar
Kaustubh.pawaskar@icicisecurities.com

Abhishek Shankar
Abhishek.shankar@icicisecurities.com

Company Background

BlueStone Jewellery & Lifestyle Ltd. (BlueStone), founded in 2011, is an omnichannel, digital first direct to consumer (D2C) jewellery retailer in India focused on contemporary lifestyle jewellery. The company primarily caters to the non-wedding, daily wear segment with a wide range of gold, platinum and studded jewellery with studded products contributing ~68% of its overall portfolio. BlueStone targets young urban consumers, particularly in 25-45 age group offering modern designs suited for everyday use and evolving lifestyle preferences (Rs.25,000-50,000).

The company operates through an integrated omnichannel model with a network of 323 stores across 130 cities, comprising company owned-company operated (COCO) stores and franchisee owned-company operated (FOCO) stores. In addition to its physical presence, BlueStone also sells through its website and mobile application. The stores serve as an extension to its online channel and enables it to interact with the customers in-person thereby helping it drive customer engagement, enhancing customer experience and increasing the brand visibility.

BlueStone follows a design-led retail strategy, offering over ~8,000 designs and introducing ~1100 new designs every year to cater to changing customer preferences. The company also operates dedicated design studios supported by in-house team of ~23 designers, focused on developing new collections and continuously expanding its catalogue of contemporary jewellery designs.

The company also operates a vertically integrated manufacturing model with facilities in Mumbai, Jaipur and Surat, with ~95% of its products manufactured in-house, enabling better control over designs development, quality and supply chain.

BlueStone's operations are further supported by a full-stack inhouse technology platform that integrates its front-end channels (website, mobile applications and POS systems) with back-end functions including order management, product systems, analytics and marketing automation. The company leverages data analytics and customer insights to deliver personalised customer experiences, improve inventory planning and support new product design development.

Exhibit 1: BlueStone's omnichannel-business model

Channel driver	Online	Online-influenced	Online-influenced	Online	Online-influenced	Offline
Selling model	Pure online	Try at Home	Made to Order	Buy online; product delivered from store	Browse online and buy in store	Pure offline / in-store
	Convenience of placing an order on the website / app without visiting the store Product delivered to the customer directly from the warehouse	Schedule an appointment and try products from the comfort of home	Choose a design and place an order for a customized product (typically done after browsing online)	Convenience of placing an order on the website / app without visiting the store Product invoiced and delivered from the store	Browse products on the BlueStone website / app prior to visiting the store to complete a purchase Offline walk-ins majorly comprise customers who have first viewed the designs and collections online	Make a purchase in-store without visiting the website / app

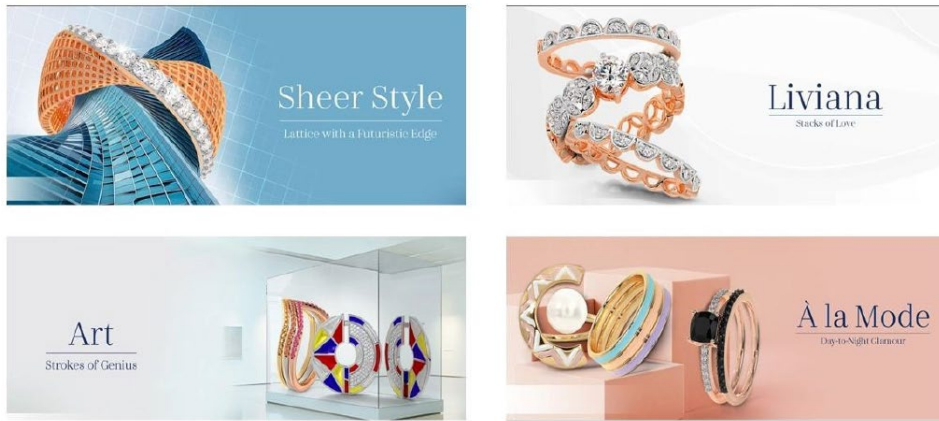
Source: Company, ICICI Direct Research

Exhibit 2: BlueStone's Product profile

Collection	Number of Designs	Average Price Range (In Rs.)
Sheer Style	68	1,46,000
Liviana	16	87,000
A La Mode	42	50,000
Viva Pride	34	95,000
Rainforest	18	77,000
You & Me	20	42,000

Source: Company, ICICI Direct Research

Exhibit 3: BlueStone's Product profile



Source: Company, ICICI Direct Research

Brief profile of promoter and top management

- Mr. Gaurav Singh Kushwaha (Chairman, MD & CEO):** He holds a bachelor's degree in technology specialising in computer science and engineering from Indian Institute of Technology, Delhi. He was previously associated with Amazon Development centre (India) Pvt. Ltd., Tavant Technologies (India) Pvt. Ltd. and Chakpak Media Pvt. Ltd.
- Mr. Sudeep Nagar (Chief Operating Officer):** He has been associated with the company since December 11th, 2012. He holds a bachelor's degree in engineering from Devi Ahilya Vishwavidyalaya, Indore and PGDM degree from Indian Institute of Management, Ahmedabad. He was previously associated with HCL Technologies Ltd and Lodha Group of Companies.
- Mr. Runit Dugar (CFO):** He has been associated with the company May 2nd, 2022. He holds a bachelor's degree in engineering specialising in computer science & engineering from Visveswaraiah Technological University, Belgaum and Master's in Business Administration degree from S.P. Jain Centre of Management. He has over 16 years of experience in technology, consulting, fintech and equities.
- Mr. Vipin Sharma (Chief Merchandising Officer):** He has been associated with the company since October 13th, 2021. He holds a bachelor's degree in engineering from University of Rajasthan and PGDM degree from S.P Jain Institute Management & Research, Mumbai. He has over 19 years of experience in the luxury goods and Jewellery Industry. He was previously associated with Titan Watches, World Gold council and others.
- Mr. Paras Shah (Company Secretary and Compliance Officer):** He has been associated with the company since July 4th, 2025. He holds a bachelor's degree in commerce and law from University of Mumbai. He is also an associate member of Institute of Company Secretaries of India. He was previously associated with Modern Road Makers India Pvt. Ltd. and Welspun Corporation.

Industry overview

Daily-wear Jewellery to witness ~15-18% CAGR growth over 2024-2029 led by young urban population and increasing working women participation

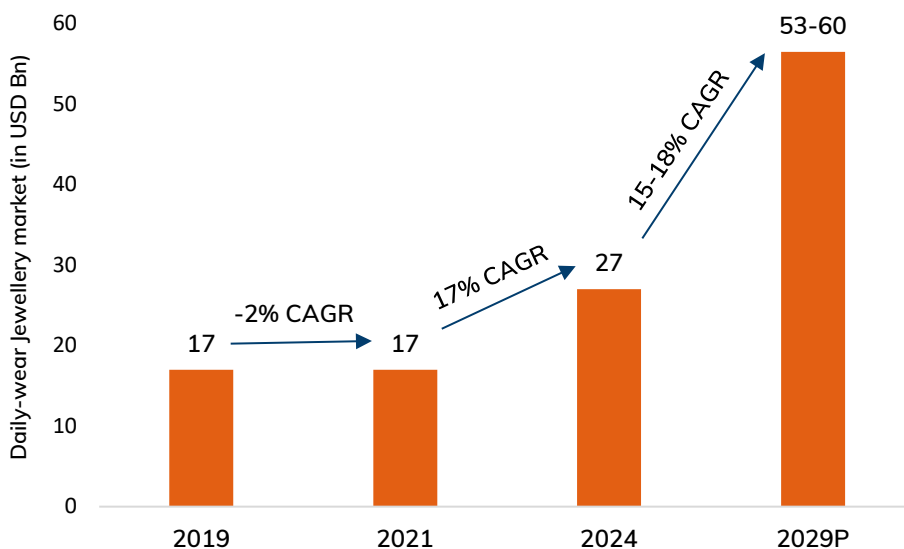
Daily wear jewellery refers to lightweight jewellery purchased for regular usage such as rings, earrings, chains, bracelets and bangles. In contrast to heavy gold jewellery, daily wear jewellery is generally comprised of 14K or 18K gold and incorporates diamonds and other stones, enabling jewellers to create contemporary and fashionable pieces at affordable prices.

The daily jewellery wear market is one of the fastest-growing categories within the Indian jewellery market. The daily-wear jewellery market has witnessed ~17% CAGR between 2021-2024 to ~USD 27bn and constitutes ~36% of the overall Indian jewellery market. It is expected to grow at CAGR of ~15-18% over 2024-2029 and is expected to reach market size of ~USD 53-60bn (forming ~40-45% of the overall jewellery market).

The growth of the daily-wear jewellery is supported by several structural drivers;

1. The **demographic shift towards younger consumers** (25-45 age group) in urban markets has increased demand for modern, lightweight and design-oriented jewellery that complement contemporary lifestyles. Younger consumers are increasingly viewing jewellery as a fashion accessory rather than store of value, leading to higher purchase frequency and shorter replacement cycles.
2. The **role of women in Indian workforce has witnessed significant growth which has led to increase in demand for daily wear jewellery.** Brands are focusing increasing the number of designs. Rising exposure to internet, social media and rising workforce participation, the replacement cycle of jewellery has become shorter, hence women are preferring affordable and design led jewellery which replicate recent trends in the market.
3. The **increase in influence of global fashion trends and social media has accelerated the adoption of contemporary jewellery styles** and is driving faster product refresh cycles. In addition to this, online retail jewellery and omnichannel retail models has helped expand the accessibility of daily-wear jewellery. Online demand for daily-wear jewellery has grown at CAGR of 60%-70% between 2021-2024 highlighting the growing importance of online channel in influencing consumer purchases. This has also increased the accessibility of daily-wear jewellery beyond large metro cities to Tier 2 and Tier 3 cities.

Exhibit 4: Daily-wear jewellery to grow at 15-18% CAGR over 2024-2029



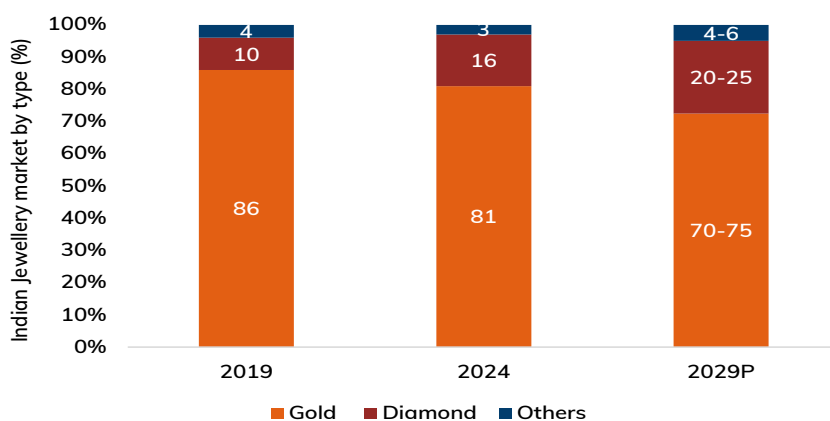
Source: Company, ICICI Direct Research

Non-wedding occasion-wear Jewellery is gaining traction...

The Indian Jewellery market historically has been dominated by wedding jewellery, but recently, non-wedding and occasion-wear jewellery such as jewellery purchased for festivals, birthdays, anniversaries, gifting and social events have been gaining increasing prominence within the market. These categories are largely driven by lifestyle and fashion consumption patterns rather than purely cultural or ceremonial demand. Consumers are increasingly purchasing jewellery as a means of self-expression, fashion and personal style reflecting evolving preferences among younger demographics (Gen-Zs) and urban consumers.

One of the key structural shifts in the jewellery industry is increasing popularity of the studded and diamond jewellery along with other materials such as platinum and precious stones. While gold continues to dominate the Indian Jewellery market with ~81% share as of 2024, the non-gold jewellery is gradually increasing as consumers are seeking more versatile and contemporary jewellery designs. This shift is particularly evident in non-wedding jewellery categories, where consumers prefer lightweight studded jewellery with modern designs.

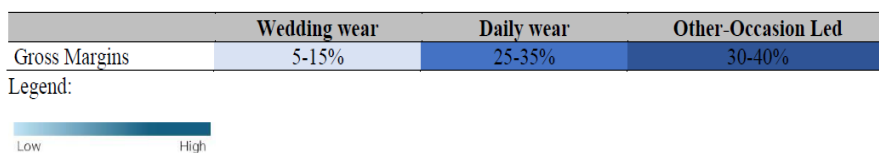
Exhibit 5: Growing salience of non-gold jewellery



Source: Company, ICICI Direct Research

Further, non-wedding occasion wear jewellery offers better margins compared to traditional wedding jewellery. Wedding wear jewellery typically involves high gold content and simple designs resulting in lower gross margins of 5-15%. In contrast, daily wear and other occasion-wear jewellery generally incorporate diamonds and studded elements which results in higher gross margins. Daily-wear jewellery gross margins are typically in the range of 25-35% while occasion-wear jewellery gross margins are in the range of 30-40%.

Exhibit 6: Non-wedding occasion-wear jewellery commands healthy margins

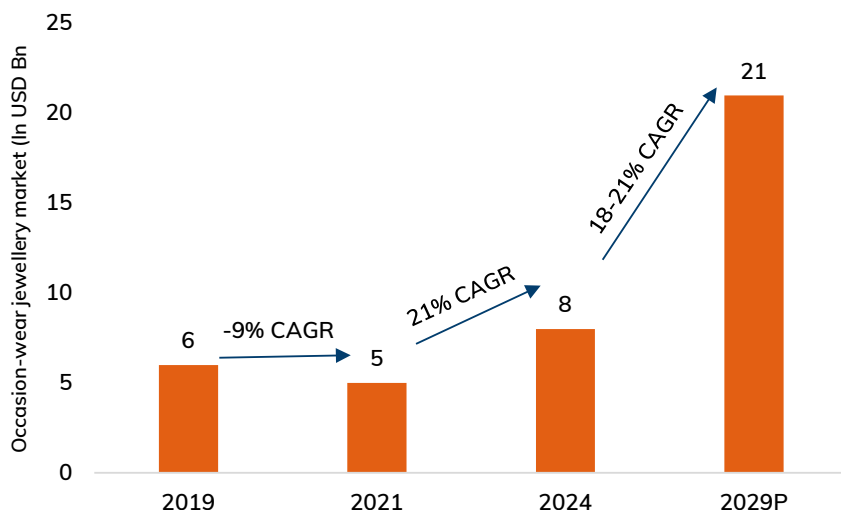


Source: Company, ICICI Direct Research

The higher margins profile, increasing adoption of non-wedding occasion jewellery, shift in demographics is encouraging manufacturers and retailers to focus on lifestyle jewellery segments driving product innovation and faster product development cycles in the industry.

Overall, the non-wedding occasion-wear jewellery segment is valued at USD ~8bn as of 2024 and is expected to grow at 18-21% CAGR over 2024-29 to USD ~20-22bn. As of 2024, the non-wedding occasion-wear jewellery forms ~11% of the overall jewellery market and is expected to form 15-20% of the overall jewellery market in 2029.

Exhibit 7: Occasion-wear jewellery to grow at 18-21% CAGR over 2024-29



Source: Company, ICICI Direct Research

Investment rationale

Differentiated design-led model driving superior margins and growth

BlueStone is strategically positioned to benefit from the consumer’s shift towards daily wear and non-wedding occasion led jewellery from traditional wedding wear jewellery. Its design-led offerings and customer-centric approach sets it apart from conventional Indian jewellery players, driving higher repeat purchases and higher gross margins.

Exhibit 8: BlueStone serves high-growth potential segment

Category by Occasion	Purity & Weight	Average Selling Price	Gross Margins	Repeat Purchase	Revenue Pool	Projected Growth
Daily-wear Jewellery	18 KT or 14 KT 5 - 30 grams	₹25,000 - 35,000	25-35%	High	₹ 2,282 billion USD 27 billion (2024)	15-18% CAGR by 2029 ^f
Non-wedding Occasion-wear Jewellery	Higher studded component; varied materials like silver, platinum	₹35,000 - 50,000	30-40%	Medium	₹ 697 billion USD 8 billion (2024)	18-21% CAGR by 2029 ^f
Wedding Jewellery	22KT predominantly 30 - 250 grams	₹0.1 - 0.2 million and above	5-15%	Low	₹ 3,360 billion USD 40 billion (2024)	6-9% CAGR by 2029 ^f

Source: Company, ICICI Direct Research

The company stands out among other Indian jewellery players due to its design-led, studded heavy portfolio and omni channel route which enables it to deliver higher gross margins compared to traditional gold jewellery players. The company derives ~68% of its revenues from studded jewellery, making it the 2nd largest player in the segment after Caratlane. BlueStone’s gross margins (~37.9%) are significantly higher than the traditional jewellery players such as Titan (~20%), Kalyan Jewellers (~13%) and Senco (~13%), primarily due to its lower dependence on plain gold jewellery. Unlike gold-heavy jewellers that operate at 5-15% gross margins and are exposed to gold-price volatility, studded jewellery players benefit from design premiums and diversified mix including diamonds and other precious stones resulting in higher gross margins of 30-40%.

Exhibit 9: Peer Comparison

Particulars	Revenue (In Rs.cr)	SSG/LFL	Studded Share	Regional Split	Gross Margins (%)	EBITDA Margins (%)	Inventory Turnover (x)
Titan (Standalone)	54,842	15%	26.0%	-	20.2%	9.6%	2.6
Kalyan Jewellers	21,639	21%	32.0%	South India - 33% Non-South India - 67%	12.7%	5.9%	3.0
Senco Gold	6,328	15%	12.0%	North India - 14% South India - 3% East India - 76% West India - 4% Central India - 3%	13.5%	5.8%	2.2
PN Gadgil Jewellers	7,693	27%	10.0%	Large presence in West India	9.1%	4.4%	5.2
Bluestone	1,770	32%	67.9%	North India - 39.5% South India - 24.3% East India - 14.1% West India - 22.1%	37.9%	4.2%	1.3
Caratlane	4,193	14%	83.0%	-	27.4%	8.3%	3.0
Candere	164	-	-	-	26.9%	-4.1%	1.8

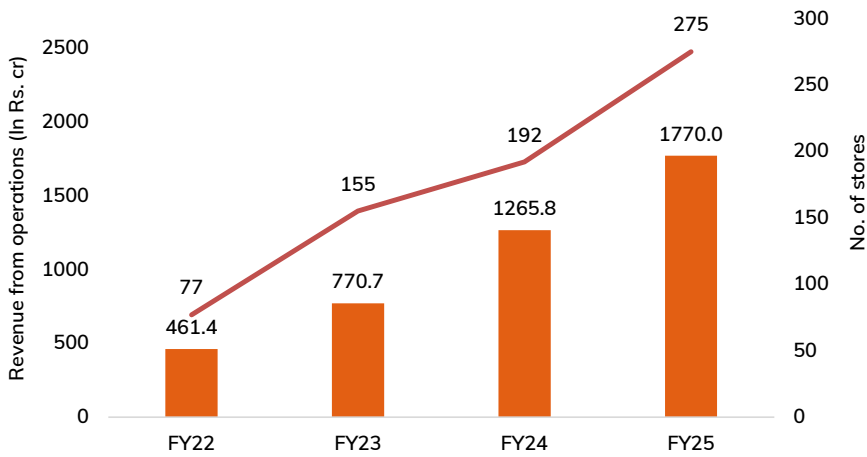
Source: Company, ICICI Direct Research

BlueStone’s target customer base is younger age demographic (25-45 years), working women, men and kids. The younger generation generally prioritises design, affordability and lifestyle usage over store of value. BlueStone’s offerings are tailored to this segment, supported by a large catalogue of ~8000 designs and ~1,100 new designs launched annually. Its in-house design team (~23 designers) and vertically integrated manufacturing facility setup enables faster product development, better inventory control and the ability to quickly respond to changing fashion trends. This provides a clear edge over traditional jewellers that rely more on external vendors who have slower design cycles.

Further, BlueStone’s omnichannel model (“discover anywhere, buy anywhere”) differentiates it from conventional jewellery retailers. The company combines strong online product discovery with store-led conversion enabling it to operate as a pan-India player. On the other hand, traditional jewellery players who have very limited online presence continue to remain as regional players thereby limiting their total addressable market. Also, features such as “Try at home” enhance customer trust and improves conversion rates at stores. This integrated and differentiated offering allows BlueStone to drive higher customer acquisition, improve engagement and generate strong repeat revenues.

Overall, BlueStone’s focus on design-led offerings, high studded mix and omnichannel execution helps it cater to a diverse customer base, generate higher repeat revenues and subsequently tap into the addressable market of both the traditional and multi-channel players thereby providing opportunity for capturing higher market share in the overall jewellery market. We expect maturity of new stores and consistent performance across older stores will provide significant opportunity for BlueStone to scale its revenues. This coupled with increasing share in studded segment will further provide operating leverage and help the company expand its overall margin profile. We expect revenues to grow at ~32% CAGR over FY25-28E to Rs.4030.5cr while margins are expected to expand by ~1000bps to 14.4% over FY25-28E.

Exhibit 10: Revenues scaling along with store additions



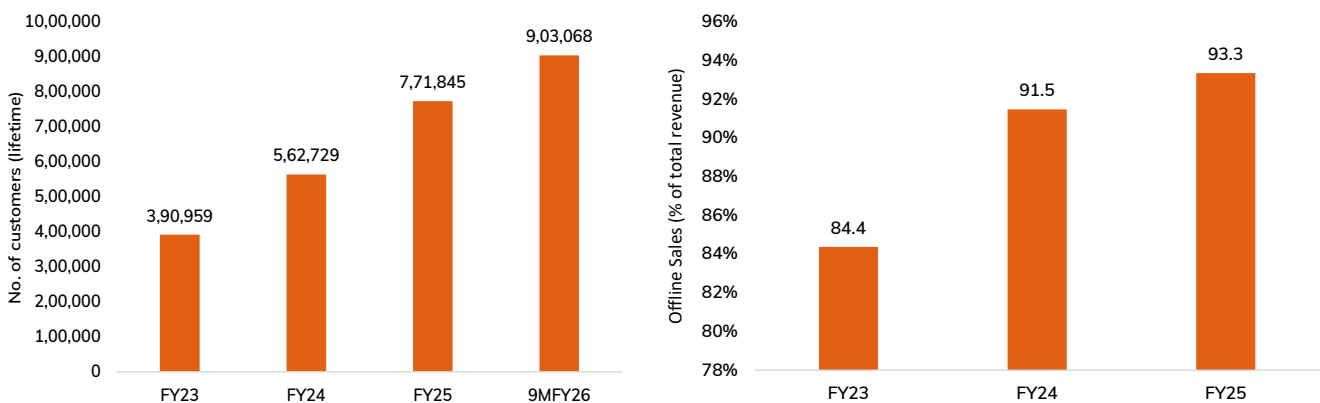
Source: Company, ICICI Direct Research

Leveraging omnichannel capabilities to drive scalable growth

BlueStone is the second largest digital first omni channel jewellery brands in India with market share of 28-32%. The company started its journey as an online jewellery brand with focus on catering digital friendly customers intend to buy jewellery on the online platform. It built a strong omni channel layer over its online presence by adding 300+ stores between 2020-26. Omni channel presence created a multiplier effect for BlueStone by seamlessly connecting its online presence with a steady expanding physical retail footprint. Its Unique online sessions (number of times a user visits our website or mobile application) on website and mobile application increased to ~29.9cr in FY25 from mere ~8.2cr in FY23. It enabled the company to increase its customer base by 2.3x to 9.0 lakh customers in 9MFY26 from 3.9 lakh customers in FY23. The increase in customer base reflected in BlueStone’s operating model wherein ~70-80% of its overall sales is influenced online and finally converted to sale through 300+ stores. Its contribution from in-store sales increased to ~93% in FY25 from ~84% in FY23, while its in-stores revenues grew at CAGR of ~60% over FY23-25 to Rs.1,652cr.

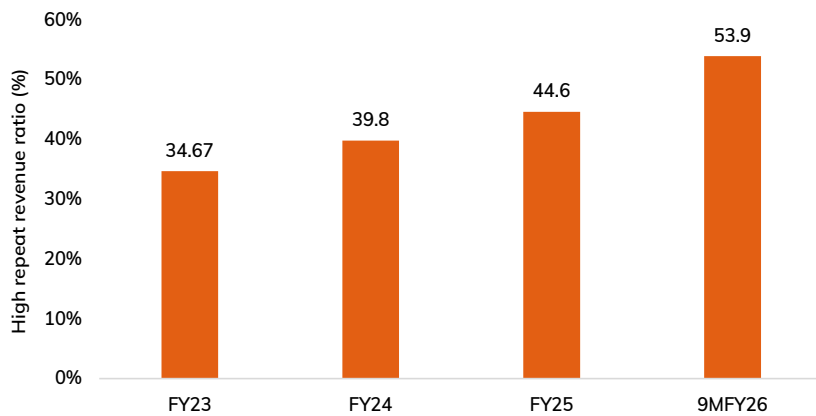
Exhibit 11: Steady growth in customer base

Increasing offline sales contribution over the last 3 years



Source: Company, ICICI Direct Research

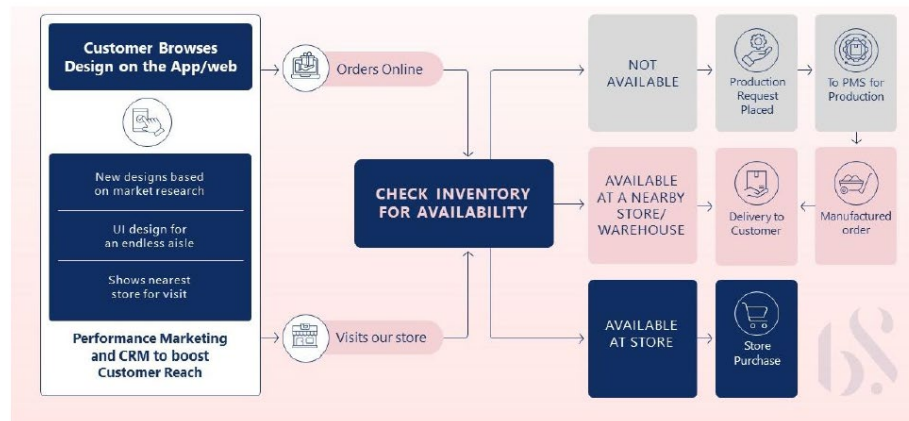
Exhibit 12: High Repeat revenue ratio



Source: Company, ICICI Direct Research

An omnichannel approach is critical, especially for high-ticket discretionary items like jewellery. As per industry data, 50-60% of the overall jewellery sales are influenced online and thereafter gets converted into sales through offline stores. These items often involve a significant investment for customers, who expect a seamless and personalised shopping experience. This strategy enhances customer convenience, showcases product quality and design, offers personalised recommendations, and build lasting relationships, influencing customers willingness to invest in premium designs. Customers get the touch-and-feel benefit through offline channels, which helps drive the offline experience.

Exhibit 13: BlueStone's Omnichannel model



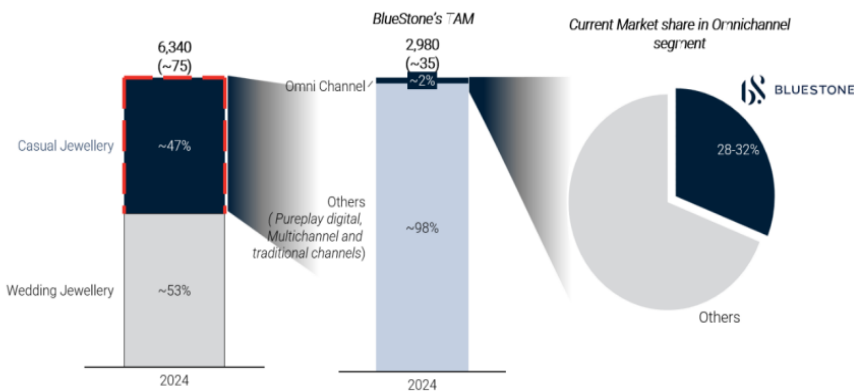
Source: Company, ICICI Direct Research

BlueStone attracts customers through a fully integrated online and offline ecosystem, enabling product discovery across multiple touchpoints. Customers can browse products through the company's website, mobile application and physical stores, reinforcing the concept of "Discover anywhere, Buy anywhere". A significant portion of BlueStone's demand is generated online, with ~70-80% of purchases being generated online. BlueStone's 323 stores across 130 cities play a critical role in converting online generated demand into transactions, ensuring a seamless transition from online discovery to online purchase.

The company engages customers through a wide design catalogue and enhanced buying experience. BlueStone offers ~8000 designs, allowing customers to browse, shortlist and purchase products online. It further enhances engagement through its "Try at Home" service, enabling customers to physically experience products before purchase which is an important factor in high value jewellery purchase. Customers can also visit nearby stores to check product availability and complete purchases. Additionally, BlueStone leverages a data-driven approach, using customer insights and demand forecasting to optimise inventory, personalise offerings and continuously introduce new designs aligned with evolving references. Due to such differentiated offerings and seamless experience, BlueStone has been able to drive

strong repeat behaviour, with repeat revenue ratio improving to ~54% as 9MFY26 from ~35% in FY23.

Exhibit 14: BlueStone's market share in the Omnichannel market



Note(s): 1. Conversion Rate: 1 USD = ₹ 85; 2. The casual segment includes daily and other occasion-led wear segment

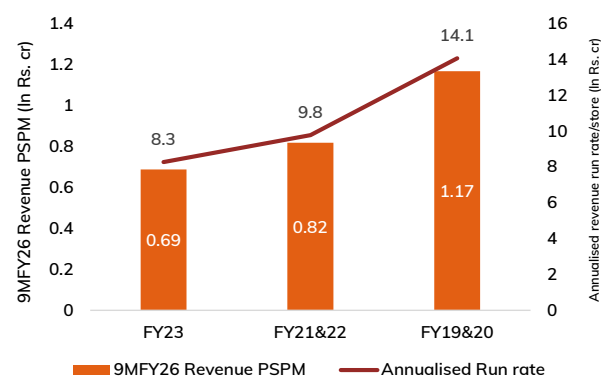
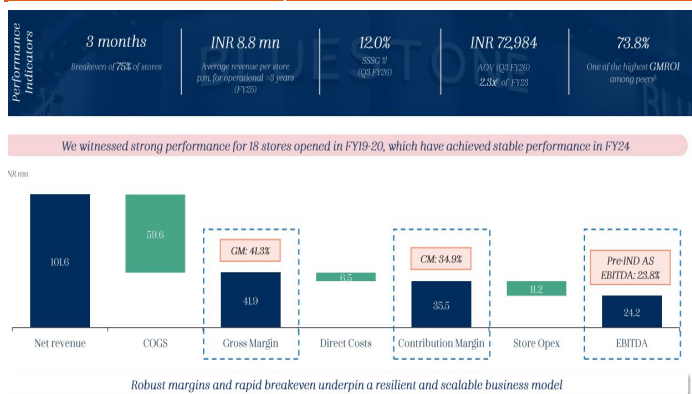
Source: Company, ICICI Direct Research

Cohort stores have strong business fundamentals

BlueStone's stores have a robust unit economics with stores registering a strong revenue growth from year one to two years of the operations. Around 75% of the total stores are break-even within three months of commencing operations. As of 9MFY26, FY19 & 20 store cohorts are delivering revenue per store per month of ~Rs.1.2cr, FY21 & 22 store cohorts delivered per store per month revenue of Rs.82 lakhs and FY23 store cohorts delivered per store per month revenue of ~Rs.70 lakhs. Further, out of BlueStone's 323 stores, 150+ stores are nearing ~Rs.10cr annualised revenue per store per month with clear runway to scale up to ~Rs.14cr annualised revenue per store per month. The company has added ~120+ stores over the last 2 years thereby signally higher number of stores moving into the scale up phase wherein revenues are set to accelerate further. Greater number of stores cohorts moving in the better productivity buckets and scale benefits over the corporate cost aiding EBIDTA margins of Cohort stores to improve substantially through better operating leverage in the coming years. The company has witnessed consistent scale up in revenues and profitability of stores opened in FY19-20.

Exhibit 15: Cohort Store performance

Scale-up of cohorts opened across years



Source: Company, ICICI Direct Research

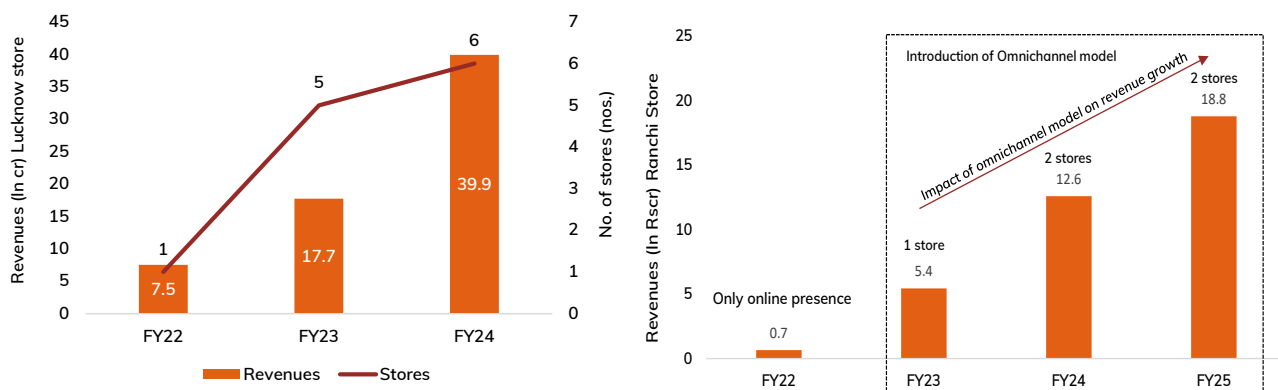
*PSPM – per store per month

Blending digital sales with offline experience drives strong overall growth

BlueStone adds new store by analysing details of online orders and traffic from a catchment area based on pin codes. It was able to convert the online demand into overall business much more efficiently by boosting revenue in the relevant city and contributes to an increase in the store density within the relevant city. Following the opening of first store in Ranchi, Jharkhand in FY23, the revenues from the city has been consistently increasing and stood at ~Rs19cr in FY25 from Rs.5.4cr in FY23 (and Rs.0.7cr in FY22 only through online sales). Its store expansion in Lucknow, Uttar Pradesh also provides the glimpse of growth in the revenues on back of

growth in the number of the stores. The company's revenues from city of Lucknow increased to ~Rs40cr (with six operational stores) in FY24 from Rs.7.5cr (with two operational stores) in FY22.

Exhibit 16: Impact of adoption of omnichannel model in Lucknow and Ranchi Stores



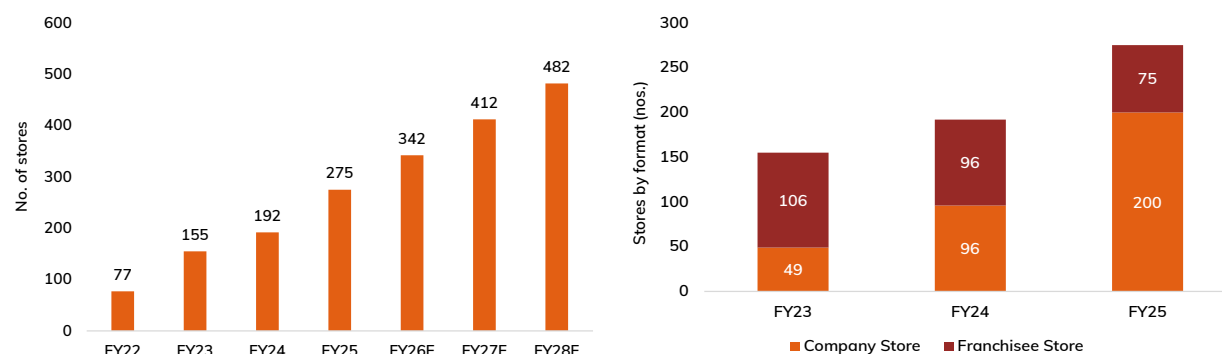
Source: Company, ICICI Direct Research

The company's store expansion model has facilitated ease of inter store stock movements allowing it flexibility of maximising benefits from capitalising on supply chain efficiencies. More stores in a particular area ensures better quality management, increases brand visibility, improves recall with customers and allows it to capitalize on economies of scale resulting in lower operating cost per store and improved profitability.

Store addition is a key support of omnichannel flywheel; to add 60-70 stores p.a.

BlueStone has been consistently focusing on store additions over the past 3 years. It expects to further strengthen its omnichannel presence through physical stores addition, which will help in enhancing customer experience. Over the past 3 years, between FY22-25, BlueStone has added 198 stores at a CAGR of 53% to 275 stores in FY25 (stood at 323 stores in 9MFY26). It expects to add 60-70 stores annually over the next two to three years. We expect the company to take its store count close to ~500 stores by FY28E. It operates combination of company stores and franchisee stores. However, the company is exiting contracts with most of the franchisees and converting those stores into COCO stores due to better operating matrix. The company's COCO: FOCO mix currently stands at 3:1 which is expected to tilt towards COCO stores in the coming years.

Exhibit 17: Consistent store addition to support revenue growth Shift towards COCO model

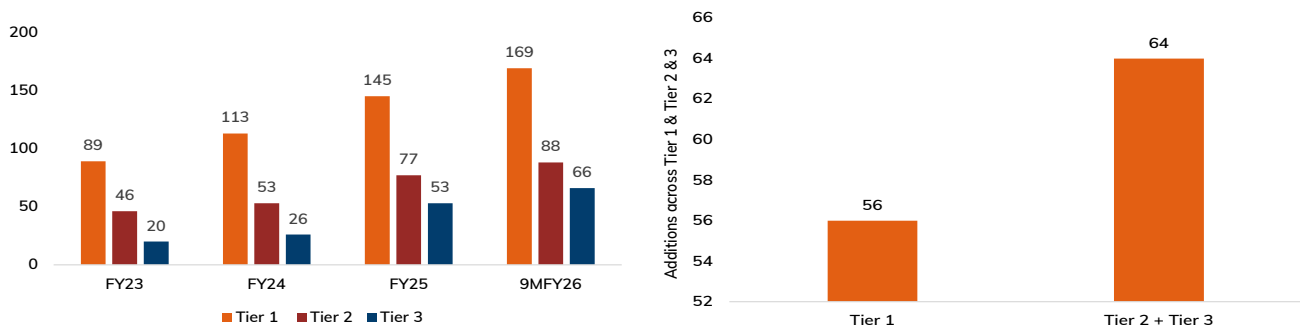


Source: Company, ICICI Direct Research

BlueStone's Pan India presence provides an ability to interact with its customer in person, which helps in driving customer engagement and increase brand visibility. It is strategically expanding its physical footprint in Tier 2 and Tier 3 cities, in line with the structural shift in the jewellery demand towards large brands in these markets. These regions are witnessing faster growth driven by rising disposable incomes, increasing urbanisation and growing preference for branded jewellery, supported by higher digital penetration. BlueStone leverages its strong online presence to identify demand clusters across PIN codes and uses its store network

to convert this latent digital demand into transactions, thereby expanding its reach beyond metro cities. The expansion of stores in Tier 2 and Tier 3 cities is visible through BlueStone’s store additions over the past 2 years between FY23 and FY25. Over the last 2 years, BlueStone has added 120 stores, of which ~64 stores have been added across Tier 2 and 3 cities while 56 stores were added in Tier 1 cities. Thus, the company is focusing on become a pan-India jeweller with large emphasis on expanding across high growth areas in key regions. Further, the deeper expansion into these locations also provide an opportunity for BlueStone to increase its TAM and establish first-mover advantage across evolving organised jewellery markets.

Exhibit 18: Stores across Tier 1,2 and 3 cities Higher additions across Tier 2 and 3 cities



Source: Company, ICICI Direct Research

Vertically integrated manufacturing enabling design agility and scalability

BlueStone operates a vertically integrated manufacturing model with in-house facilities located in Mumbai, Jaipur and Surat. The company has an installed capacity on ~8100 kgs, with an available operational capacity of ~2900 kgs as of FY25 based on the current machinery and manpower. The in-house set up provides BlueStone with strong control over its production processes and also help saves the outsourced manufacturing margins and in-house production is also critical in a design-led and fast evolving category like lifestyle jewellery.

Exhibit 19: BlueStone’s manufacturing capability

Manufacturing Facility	Type of Product	FY23				FY24				FY25			
		Installed Capacity (In Kgs)	Available Capacity (In Kgs)	Actual Production (In Kgs)	Capacity Utilisation	Installed Capacity (In Kgs)	Available Capacity (In Kgs)	Actual Production (In Kgs)	Capacity Utilisation	Installed Capacity (In Kgs)	Available Capacity (In Kgs)	Actual Production (In Kgs)	Capacity Utilisation
Mumbai, Maharashtra	Gold Jewellery	1193.5	976.5	819.36	83.9%	1534.5	1255.5	981.72	78.2%	1883.25	1105	1089.19	98.6%
Jaipur, Rajasthan	Gold Jewellery	1302	1085	344.45	31.7%	1302	1085	871.66	80.3%	4340	1302	1063.95	81.7%
Surat, Gujarat	Gold Jewellery	-	-	-	-	-	-	-	-	1844.5	465	317.38	68.3%
Total		2495.5	2061.5	1163.81	56.5%	2836.5	2340.5	1853.38	79.2%	8067.75	2872	2470.52	86.0%

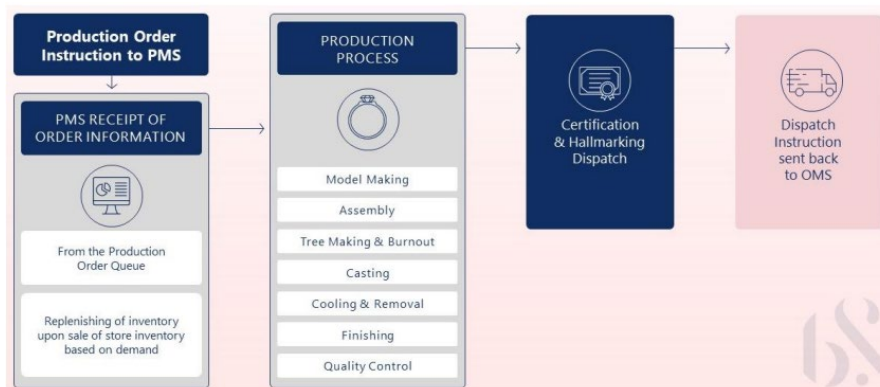
Source: Company, ICICI Direct Research

A key advantage of this model is that BlueStone manufactures ~95% of its products in-house, enabling it to closely align product development with changing consumer preferences. The company offers a large catalogue of ~8000 designs and introduces ~1100 designs annually, reflecting its strong design innovation capabilities. This level of design refresh and responsiveness is maintained by BlueStone due to availability of in-house manufacturing facility. Additionally, BlueStone’s advanced manufacturing capabilities, including the use of CNC machines, support precision, consistency and scalability in production, while also enabling faster prototyping and newer designs.

The integrated manufacturing setup also enhances supply chain efficiency and reduces turnaround time from design to store, allowing the company to respond quickly to demand trends and optimise inventory levels. Overall, BlueStone’s in-house manufacturing capabilities enable better control over design, faster product

launches, efficient supply chain management and improved scalability positioning the company to grow efficiently in a design-driven jewellery market.

Exhibit 20: BlueStone's supply chain



Source: Company, ICICI Direct Research

In-house technology driving operational efficiency and design led growth

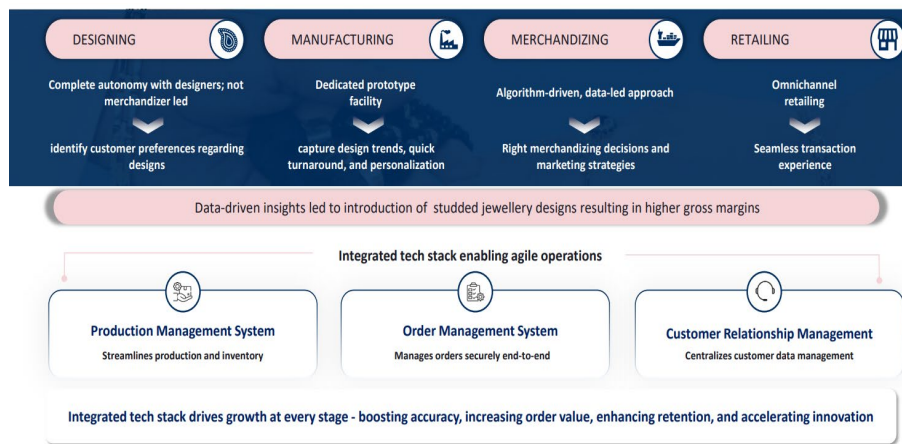
BlueStone has built a strong in-house technology platform that is integrated across its value chain- from design of jewellery to manufacturing to merchandising and finally to retail enabling it to operate one of the largest digitally integrated jewellery retail in India. The company leverages technology in its day-to-day operations through systems such as production management, order management and customer relationship management (CRM), which helps BlueStone streamline production, manage orders end-to-end and centralise customer data. This integrated technology structure allows BlueStone to improve operational accuracy, inventory visibility and fulfilment efficiency, while also enabling seamless omnichannel transactions for customers.

BlueStone's technology layer is embedded across all key functions. In the designing stage, data insights help identify evolving customer preferences, enabling designers to create relevant and contemporary products. In manufacturing, dedicated prototype capabilities and tech-enabled processes allow for faster turnaround and product customisation. In merchandising, algorithm-driven decision making supports optimal inventory allocation and targeted marketing strategies, while in retailing, the omnichannel platform ensures a seamless customer experience across online and offline touchpoints. This end-to-end integration allows BlueStone to operate with greater agility, enabling faster design cycles and improved responsiveness to market demand.

Further, BlueStone continues to invest and scale its technology capabilities to further enhance its business model. By leveraging data analytics and customer insights, the company is able to improve product discovery, increase average order value and drive higher customer retention through personalised offerings and targeted engagement. Additionally, technology enables faster introduction of new designs and support innovation, particularly studded jewellery, which is more design-intensive and margin accretive in nature.

Overall, BlueStone's in-house technology platform not only improves accuracy, efficiency and scalability, but also plays a critical role in driving higher studded mix and supporting gross margin expansion positioning the company for sustained long term growth.

Exhibit 21: BlueStone's focus on tech driven operational efficiency



Source: Company, ICICI Direct Research

Continued investment in brand building driving scalable customer acquisition

BlueStone has consistently invested in brand building and performance-driven marketing initiatives to strengthen consumer awareness and drive customer acquisition. The company’s advertising and marketing spends stood at ~Rs.159.2cr as of FY25 and has risen from ~Rs.84.1cr in FY23 reflecting increasing investments in brand building along with scale-up of revenues. Despite this increase, marketing spends have remained controlled which highlights BlueStone’s efficient use of technology and data driven approach to target customers. The company has also strategically shifted towards performance marketing, enabling targeted customer outreach, better measurability of returns and lower upfront costs compared to traditional campaign heavy spending.

BlueStone’s marketing strategy is focused on digital-first channels, leveraging social media, online platforms and data analytics to drive customer engagement and product discovery. It complements this with customer friendly initiatives such as “Big Gold Upgrade” scheme, “10+1 monthly plan” and loyalty initiatives which enhance affordability and incentivise purchases. These initiatives not only support customer acquisition but also improve repeat purchase ratio and customer lifetime value. Additionally, BlueStone continues to invest in event-based marketing, in-store branding and sales personnel training thereby ensuring continued brand experience for customers.

Exhibit 22: BlueStone's prominent promotional schemes

STEP 1: Bring your old gold to a BlueStone store near you.

STEP 2: Our Karatmeter will assess the purity of your gold.

STEP 3: Your old gold will be melted in front of you.

STEP 4: Select your new certified jewellery.

Incentive / Loyalty Schemes

- Gold Mine 10+1 Plan enables budgeting for big purchases or gifting
- Big Gold Upgrade scheme offers 101% of gold value with old gold exchange

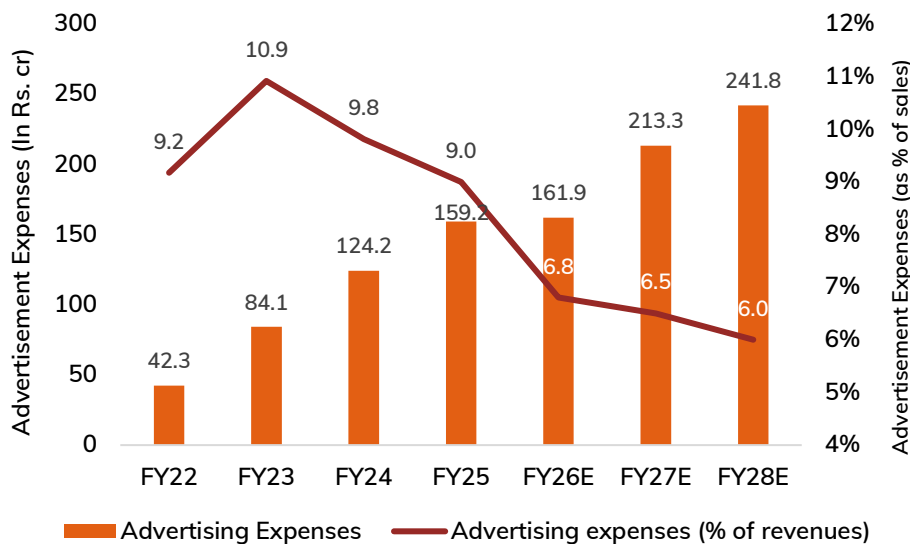
Gold Mine 10+1 and BIG GOLD UPGRADE logos.

Source: Company, ICICI Direct Research

BlueStone intends to continue investing in technology led marketing, personalised customer engagement and expanded loyalty programmes while further strengthening its omnichannel brand presence. Over the next 3 years between FY25-28E, BlueStone’s advertisement expenses on absolute terms are expected to grow at 15% CAGR to Rs.241.8cr. While the advertisement expenses on absolute basis will witness rise, the expenses as percentage of revenues will decline with scale in the revenues. Advertisement expenses as percentage of revenues are expected to decline to 6-6.5% of revenues from 9% in FY25. Differentiated designs,

detailed product outlook, customer outreach programs and environment of trust is enabling BlueStone build a high recall value for its business. This low spend and high recall model positions it to scale revenues efficiently and parallelly enabling it to maintain its overall expenditure basket.

Exhibit 23: Advertisement expenses (% of revenues) to decline with scale in revenues



Source: Company, ICICI Direct Research

Key Assumptions

Exhibit 24: Key Assumptions

Particulars	FY24	FY25	FY26E	FY27E	FY28E
No. of Stores	192	275	342	412	482
Additions/(Closures)		83	67	70	70
Average Revenue per store (Rs. in cr)	7.3	7.6	7.7	8.0	8.4
YoY Growth (%)		3.9%	2.0%	3.0%	5.0%
Revenue from Operations (Rs. in cr)	1265.8	1770.0	2381.4	3281.1	4030.5
YoY Growth (%)		39.8%	34.5%	37.8%	22.8%

Source: Company, ICICI Direct Research

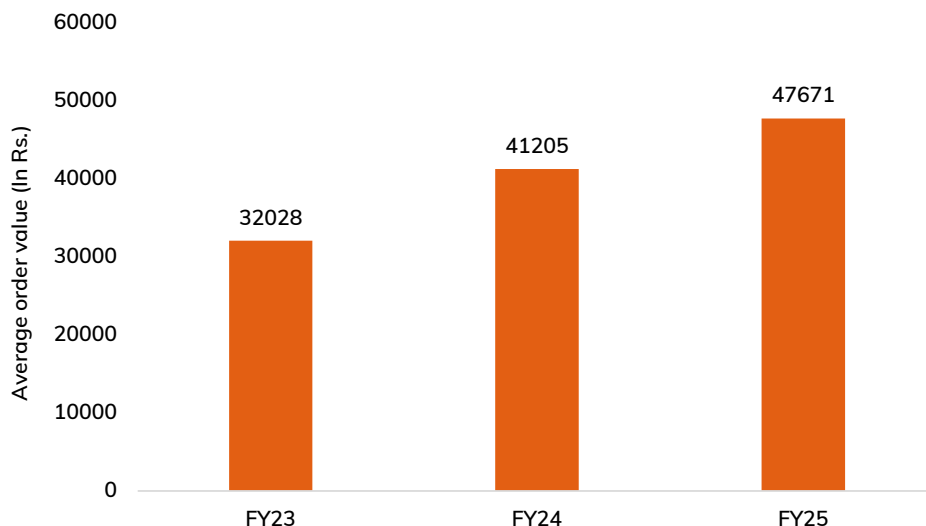
*Average revenue/store is on calculated basis

Key Financial Summary

Revenues to grow at 32% CAGR over FY25-28E; aided by differentiated design and omnichannel model

BlueStone delivered strong growth with revenues growing at CAGR of 51.5% to Rs.1770cr in FY25 from Rs.770.7cr in FY23. Growth was driven primarily by 2 factors, 1) Consistent store addition at CAGR of ~33% from 155 stores in FY23 to 275 stores in FY25 focusing on its omnichannel strategy and 2) Strong SSSG (same stores sales growth) of 72% in FY23, 51% in FY24 and 32% in FY25. Strong SSSG was driven by 3 major factors, 1) consistent scale up in customer base, 2) higher number of orders/transactions thereby leading to 3) sustained growth in average order value. BlueStone's customer base has witnessed 2x growth in customer base from 3.9 lakh customers in FY23 to over 7.7 lakh customers in FY25. This led to consistent scale up in number of transactions which grew at 24% CAGR from 2.4 lakh orders/year in FY23 to 3.7 lakh orders year in FY25. Further, as a result of growing customer bases, differentiated design offerings coupled with higher gold prices, BlueStone's average order value has grown at ~22% CAGR from ~Rs.32,000/order in FY23 to ~Rs.47,700/order in FY25.

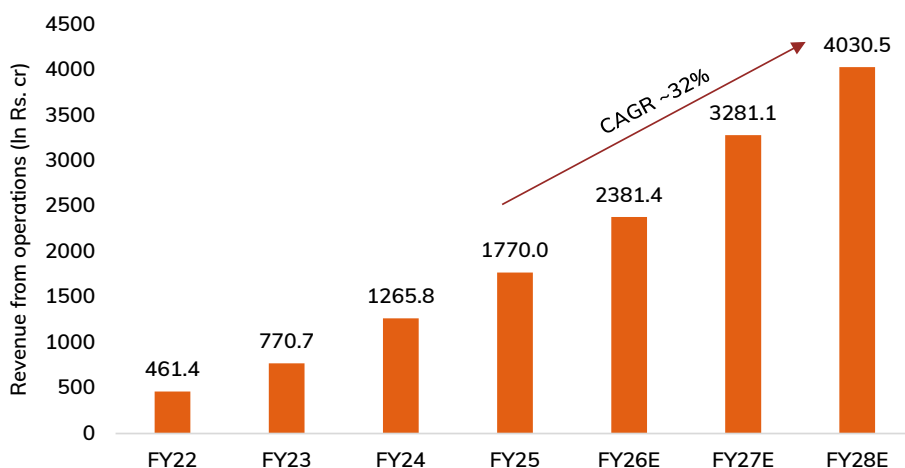
Exhibit 25: BlueStone's average order value has grown at CAGR of ~22% over FY23-25



Source: Company, ICICI Direct Research

Going ahead, the company continues to increase its store presence. It has already added 120+ stores over the last 2 years which are now entering the maturity phase. Over 150+ stores are nearing ~Rs.10cr annualised per store per month with clear runway to scale ~Rs.14cr annualised per store per month revenue. This will further drive the customer base higher subsequently improving the company's order value and thereby also helping it scale its revenue growth ahead. Hence, we expect that the company's SSSG will continue to remain in double-digits over the upcoming years. We expect the company to add 200+ stores over FY25-FY28E thereby leading to accelerated scale in revenues ahead. We expect BlueStone's revenues to witness ~32% CAGR to Rs.4030.5cr in FY28E from Rs.1770cr in FY25.

Exhibit 26: Revenues to grow at ~32% CAGR over FY25-FY28E



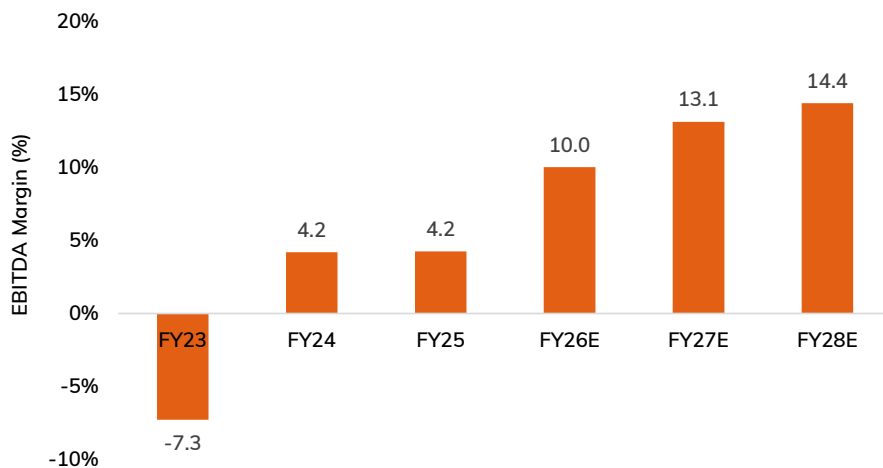
Source: Company, ICICI Direct Research

EBITDA Margins to expand by ~1000bps over FY25-FY28E; driven by store maturity and operating leverage

BlueStone has demonstrated a clear trajectory of improving profitability, supported by strong revenue growth driven by sustained store additions and efficient omnichannel model. The company has added ~300 stores between FY20-25, with ~75% of its new stores achieving breakeven within 3 months, while mature stores (operational > 3 years) have consistently scaled to ~Rs.0.9cr monthly per store revenue. As of 9MFY26, BlueStone has 323 stores, with 150+ stores nearing Rs.10cr annualised revenue rate; notably, FY19&20 cohort stores scaling to Rs.14.1cr per store monthly revenue while FY21&22 and FY23 store cohorts reporting ~Rs.9.8cr and ~Rs.8.3cr per store monthly revenue respectively with further headroom to scale to over ~Rs.14cr per store annualised revenues in the coming years. Mature stores are already delivering Pre-IND AS EBITDA margins of ~24.2%. With, 120+

stores added over the past 2 years, these stores are now entering the scale-up phase with revenues likely to accelerate rapidly and also are set to deliver superior margins. Further, the company also benefits vis-à-vis traditional jewellery players delivering higher gross margins at 37.9% (improved by 600bps in last two years). This is primarily due to higher exposure to studded jewellery (~68% in FY25). With higher number of store cohorts moving to higher revenue baskets, these are expected to achieve scale benefits over the fixed cost thereby enhancing profitability of these stores. Overall, this will drive operating leverage leading to consistent expansion in the EBITDA margins in the medium to long run. As a result of scaling up of store cohorts coupled with further improvement in studded share portfolio, we expect EBITDA margins to expand by ~1000bps over FY25-FY28E.

Exhibit 27: EBITDA margins to witness ~1000bps expansion over FY25-28E

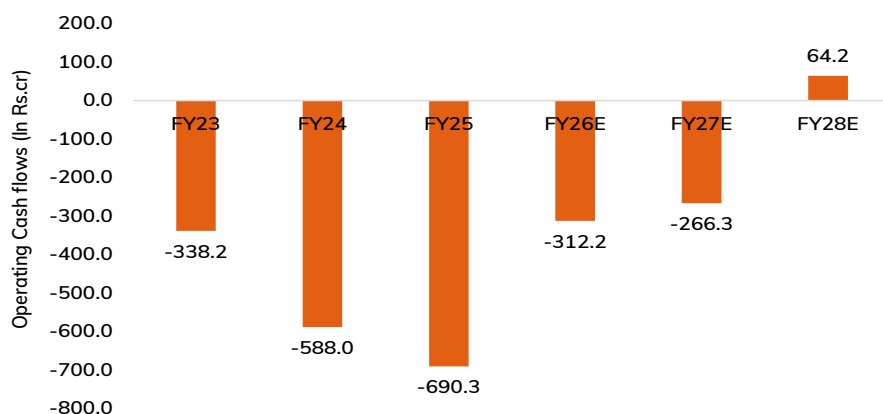


Source: Company, ICICI Direct Research

BlueStone to be OCF positive by FY28; return profile to consistently improve

BlueStone plans to add 60-70 stores per annum under its omni channel strategy. New stores require inventory of Rs.5cr per store, which will result in Rs.300-350cr additional inventory. Further the scale-up in business operations of matured store will incrementally require fresh inventory in stores. Hence, we expect higher working capital requirement over the next two years. We expect inventory requirement to moderate with large number of stores attaining operational maturity and inventory turn per store improving substantially in the coming years. Hence, we expect BlueStone to be operating cash flow (OCF) positive by FY28. With improvement in the profitability and stable working capital requirement, return profile of the company is expected to consistently improve in the medium to long run. We expect Return ratios (RoCE/RoIC) of the company to improve to high single digit to 7-8% by FY28E from around 2% in FY26E. Considering the revenue growth staying in upwards of 20% and EBITDA margins improving by 60-80bps per annum, we expect return profile to reach close to mid-to-high teen by FY30.

Exhibit 28: BlueStone to be OCF positive by FY28



Source: Company, ICICI Direct Research

Risk and Concerns

BlueStone operates in a highly competitive environment; Slower adaptation to market trends may impact the cash flow and profitability

The jewellery market in India is highly competitive, with both domestic and international players vying for market share. Companies compete on various aspects such as pricing, product offerings, quality, and marketing strategies. BlueStone faces competition from various domestic companies in India. Competition may result in pricing pressures, reduced profit margins, lost market share, or a failure to grow or maintain its market share, any of which could substantially impact the operations and financials. The competitors operating in certain of its product segments may have significant competitive advantages in that particular product segment, including better experience, larger and broader customer base, supplier and manufacturing bases, greater brand recall, and greater financial, inventory management, store development, marketing, distribution, and other resources. Competitors could provide a better shopping experience or change pricing, availability, or the terms or operation of service related to their products and services in a manner that impacts BlueStone's business. BlueStone's inability to address these and other operational changes and competitive pressures may have an adverse effect on its business, financial condition, cash flows and results of operations.

The business is sensitive to fluctuations in prices of precious metals and gemstones.

BlueStone's product offerings contain precious metals such as gold and precious stones such as Diamonds. The business is sensitive to any fluctuations in the prices of gold and other precious stones. Over the last 1 year, gold prices have risen by ~60%. Though the company's majority of the offerings is in the studded segment with lower gold share, but such steep rises often impact the customer affordability and therefore can also lead to lower revenues and impact on working capital and also reduced profitability.

Macroeconomic and geopolitical conditions can have impact on the business

The business is dependent on macroeconomic and geopolitical conditions. Any instability in the macroeconomic and geopolitical environment can lead to rise in inflation and thereby dampen customer affordability. This could result in lower discretionary purchases by customers. Lower footfalls and sales can lead to higher inventory pileup which can lead to increasing pressure on the working capital situation.

Financial Summary

Exhibit 29: Profit and loss statement ₹ cr

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Total Operating Income	1265.8	1770.0	2381.4	3281.1	4030.5
Growth (%)	64.2	39.8	34.5	37.8	22.8
Raw Material Expenses	754.3	1098.5	1512.2	2083.5	2547.3
Gross Profit	511.5	671.5	869.2	1197.6	1483.2
Gross Profit Margins (%)	40.4	37.9	36.5	36.5	36.8
Employee Expenses	138.4	202.6	273.4	293.0	320.8
Other Expenditure	172.7	231.2	190.5	262.5	322.4
Advertising & Marketing Expenses	124.2	159.2	161.9	205.1	251.9
Franchisee Comission	23.1	3.4	4.8	6.6	8.1
Total Operating Expenditure	1212.8	1694.9	2142.8	2850.6	3450.5
EBITDA	53.0	75.1	238.7	430.5	580.0
Growth (%)	-	41.6	217.8	80.4	34.7
Interest	137.7	207.5	217.7	232.9	255.1
Depreciation	95.3	147.5	203.1	230.9	256.1
Other Income	37.7	60.0	50.0	47.0	51.3
PBT	-142.2	-219.9	-132.1	13.6	120.1
Less Tax	0.0	0.0	0.0	0.0	0.0
Adjusted PAT	-142.2	-219.9	-132.1	13.6	120.1
Growth (%)	-15.0	54.6	-39.9	-110.3	781.3
Minority Interest (MI)	0.0	0.0	0.0	0.0	0.0
Adjusted PAT (After MI)	-142.2	-219.9	-132.1	13.6	120.1
Exceptional item - gain / (loss)	0.0	-1.9	0.0	0.0	0.0
Reported PAT	-142.2	-221.8	-132.1	13.6	120.1
Growth (%)	-	-	-40.4	-110.3	781.3
EPS (Diluted)	-9.3	-14.4	-8.7	0.9	7.9

Source: Company, ICICI Direct Research

Exhibit 30: Cash flow statement ₹ cr

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Profit/(Loss) after taxation	-179.9	-279.9	-182.1	-33.4	68.8
Add: Minority Interest	0.0	0.0	0.0	0.0	0.0
Add: Depreciation & Amort.	95.3	147.5	203.1	230.9	256.1
Add: Other income	37.7	60.0	50.0	47.0	51.3
Net Increase in Current Assets	-768.8	-661.2	-461.3	-639.3	-428.1
less: 'Net Increase in Current Liabilities	-227.7	-43.6	-77.9	-128.3	-115.9
CF from Operating activities	-588.1	-689.9	-312.4	-266.5	64.0
Investments & Bank bal	184.5	-141.6	-462.0	1.0	-200.0
(Purchase)/Sale of Fixed Assets	-251.7	-560.6	-213.7	-177.3	-177.3
Intangible assets	0.1	-3.5	0.2	0.0	0.0
Others	-425.4	130.2	-37.6	-41.3	-45.5
CF from Investing activities	-492.4	-575.5	-713.1	-217.6	-422.8
(inc)/Dec in Loan	188.3	243.6	48.1	251.8	204.7
(inc)/Dec in lease liabilities	116.0	310.7	200.0	250.0	250.0
Change in equity & reserves	588.2	752.5	803.9	0.0	0.0
Minority Interest	0.0	4.0	0.0	0.0	0.0
Dividend paid	0.0	0.0	0.0	0.0	0.0
Deferred Tax and Other Non Current Liabilities	-1.2	0.2	0.4	0.4	0.4
Gold on loan	221.2	-55.9	101.8	142.4	92.4
CF from Financing activities	1,112.6	1,255.1	1,154.1	644.6	547.6
Net Cash Flow	32.0	-10.4	128.6	160.5	188.8
Cash and Cash Equivalent	27.1	59.1	48.8	177.4	337.9
Cash	59.1	48.8	177.4	337.9	526.6
Free Cash Flow	-839.8	-1,250.5	-526.1	-443.8	-113.3

Source: Company, ICICI Direct Research

Exhibit 31: Balance Sheet ₹ cr

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Equity Capital	27.9	29.7	15.2	15.2	15.2
Reserve and Surplus	346.3	877.1	1563.3	1576.9	1697.1
Non-Controlling Interest	0.0	4.0	4.0	4.0	4.0
Total Shareholders funds	374.2	910.7	1582.5	1596.2	1716.3
Total Debt	734.2	977.8	1025.9	1277.7	1482.4
Lease Liabilities	488.9	799.6	999.6	1249.6	1499.6
Gold on Loan	442.5	386.6	488.4	630.8	723.2
Long-Term Provisions	3.4	3.5	3.9	4.3	4.7
Total Liabilities	2043.1	3078.3	4100.3	4758.6	5426.3
Gross Block - Fixed Assets	770.3	1323.4	1537.5	1714.8	1892.1
Accumulated Depreciation	185.5	314.1	517.3	748.2	1004.3
Net Block	584.9	1009.3	1020.2	966.6	887.8
Capital WIP	16.7	5.4	5.0	5.0	5.0
Fixed Assets	601.5	1014.7	1025.2	971.6	892.8
Goodwill & Other intangible assets	0.2	3.7	3.5	3.5	3.5
Other non-Current Assets	514.4	384.2	421.8	463.1	508.5
Inventory	991.2	1652.5	2087.8	2696.8	3091.9
Debtors	2.4	5.6	6.5	9.0	11.0
Other Current Assets	17.8	34.5	39.6	45.6	52.4
Loans & Advances & other financial assets	219.4	199.4	219.3	241.3	265.4
Cash	59.1	48.8	177.4	337.9	526.6
Bank balance	47.4	138.1	600.0	500.0	600.0
Current Investments	0.0	50.8	51.0	150.0	250.0
Total Current Assets	1337.4	2129.7	3181.7	3980.5	4797.4
Creditors	216.7	164.7	228.4	341.6	441.7
Provisions	2.1	2.8	2.8	2.8	2.8
Other Current Liabilities	191.5	286.4	300.7	315.7	331.5
Total Current Liabilities	410.3	454.0	531.9	660.1	776.0
Net Current Assets	927.0	1675.8	2649.8	3320.4	4021.4
Application of Funds	2043.1	3078.3	4100.3	4758.6	5426.3

Source: Company, ICICI Direct Research

Exhibit 32: Key ratios

(Year-end March)	FY24	FY25	FY26E	FY27E	FY28E
Per share data (₹)					
Diluted EPS	-9.3	-14.4	-8.7	0.9	7.9
Cash EPS	-3.1	-4.8	4.7	16.1	24.7
BV per share	24.6	59.6	103.7	104.6	112.5
Operating Ratios (%)					
Gross Profit Margins	40.4	37.9	36.5	36.5	36.8
OPM	4.2	4.2	10.0	13.1	14.4
PAT Margins	-11.2	-12.4	-5.5	0.4	3.0
Asset Turnover (x)	1.9	1.7	1.7	2.0	2.2
Return Ratios (%)					
RoE	-94.1	-34.2	-10.6	0.9	7.3
RoCE	-3.0	-2.8	2.0	5.5	7.4
RoIC	-2.8	-2.6	2.0	6.0	8.2
Valuation Ratios (x)					
P/E	-49.0	-31.7	-52.8	511.5	58.0
EV / EBITDA	160.8	118.5	36.3	21.2	16.0
EV / Net Sales	6.7	5.0	3.6	2.8	2.3
Market Cap / Sales	5.5	3.9	2.9	2.1	1.7
Price to Book Value	18.6	7.7	4.4	4.4	4.1
Solvency Ratios					
Debt / EBITDA	13.8	13.0	4.3	3.0	2.6
Debt / Equity	3.3	2.0	1.3	1.6	1.7
Inventory days	286	341	320	300	280
Debtor days	1	1	1	1	1
Creditor days	62	34	35	38	40
WC Days	224	308	286	263	241

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

I/We, Kaustubh Pawaskar, PGDBA (Finance), Abhishek Shankar, PGDM-RM, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headsservicequality@icicidirect.com Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report