



Industry Report

Jewellery Market in India

| | Project Aurum | |

Client: Bluestone Jewellery and Lifestyle Limited

15th July, 2025

Industry Report for Jewellery Market in India

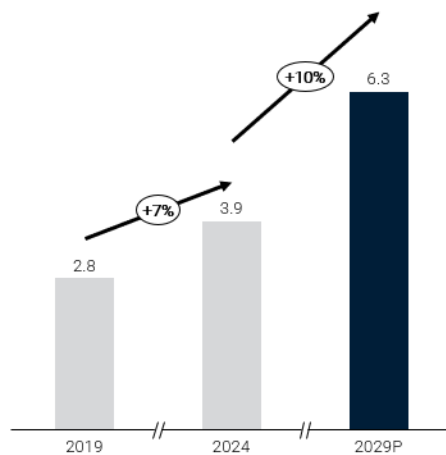
Section 1: Macroeconomic and Consumer Demographic Trends

India's Macroeconomic Outlook

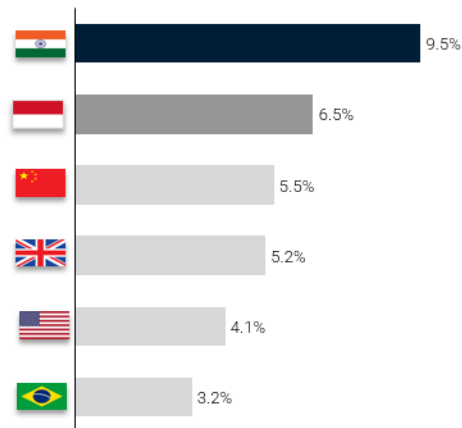
India is one of the fastest growing large economies in the world with consumption being a major growth driver. India's nominal GDP has grown at more than 6.5% CAGR since CY 2015 (despite the slowdown in CY 2019 and CY 2020 due to COVID-19). India is anticipated to be the fastest-growing major economy between CY 2024 and CY 2029 (with nominal GDP projected to grow at 9.5% CAGR), outpacing the growth rates of the USA and China, which are projected to grow at ~4.1% and ~5.5%, respectively, in nominal terms. As per IMF, India's real GDP grew by ~7% in CY 2024 and is projected to grow at ~6.5% from CY 2025-2029, the highest among the top 10 economies of the world. With a population of 1.4 billion, India has a large consumer base, driving significant demand for the consumer-oriented retail markets. The growing young population, income levels, urbanisation and nuclearization, increasing density in urban areas, and increasing female labour force participation are the key macro trends promoting convenience-seeking behaviour leading to higher demand for organised retail channels.

Exhibit 1

GDP at current prices¹ - India
USD Trillion, CY 2019-29P



Nominal GDP growth - Global Benchmarks
CAGR in %, CY 2024-29P



Note(s): 1. GDP at current prices: Market value of the final goods and services produced within the domestic territory during an accounting year at current year prices; nominal GDP is the GDP unadjusted for the effects of inflation and is at current market price; 2. Major Economies are countries with GDPs higher than USD 2 Trillion as of CY 2024

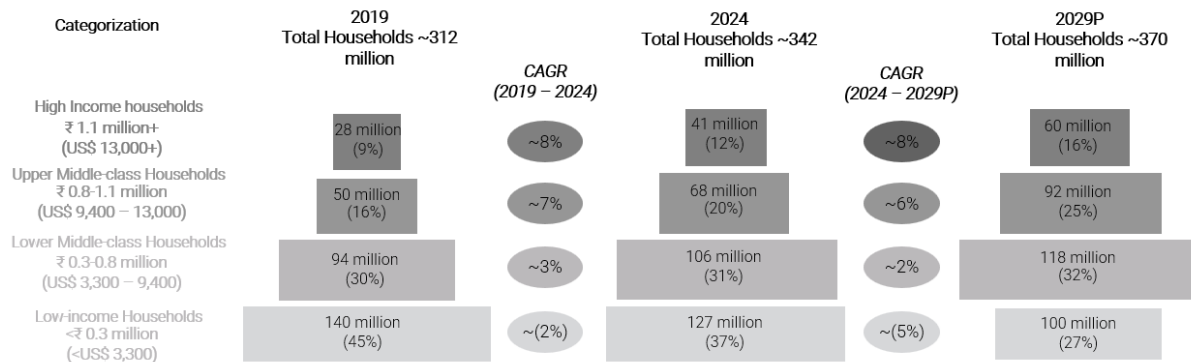
Source(s): International Monetary Fund (IMF)

A. Factors driving India's growth

- Burgeoning middle-class:** India's per capita income has grown by ~8.6% annually since FY 2020, reaching ~USD 2,666 in FY 2025. This growth has been fuelled by the expanding middle class, which increased from 144 million households in 2019 to 174 million in 2024, driven by economic development and a shift towards manufacturing and services. The rising affluence of higher income segments has led to heightened demand for premium products and enhanced purchasing experiences, accelerating growth in discretionary categories and businesses catering to this segment.

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Exhibit 2
Household Split by Income (Annual Income) Groups of India
USD (INR Million), #, CY 2019-29P



Note(s): 1. Annual household income range: High-income (INR 1.1 million+), Upper-middle class (INR 0.8 to 1.1 million), Lower-middle class (INR 0.3 to 0.8 million), and Low-income (less than INR 0.3 million); 2. Conversion 1 USD= INR 85

Source(s): Redseer Research & Analysis

- *Rising private consumption:* India's crossing of the GDP per capita threshold of USD 2,000 in CY 2021 has significantly boosted discretionary spending, fuelling consumption growth. Private Final Consumption Expenditure (PFCE) is projected to rise from ~59% of GDP in Fiscal Year 2019 to ~62% in Fiscal Year 2025, according to the Ministry of Statistics and Programme Implementation (“MoSPI”) estimates. This growth is driven by the following factors:
 1. *Expanding young population:* India’s median age was ~28 years in 2024, significantly lower than that of China (39) and the USA (38). Over 40% of the population is under 25, and by CY 2030, approximately 69% will be in the working age group (15-64 years), according to United Nations World Population Prospects.
 2. *Rising participation of women in shopping:* This is significantly influenced by higher education, financial independence, and digital savviness.
 - a. *Rising Enrolment in Higher Education:* The share of women in higher education increased by 17.8% between Fiscal Year 2018 and Fiscal Year 2022, with female enrolment rising to 20.7 million in 2020-21 (accounting for around 48% of total enrolment).
 - b. *Rising Participation of Women in the Workforce:* As per PLFS Fiscal Year 2024 Survey, the female Labor Force Participation Rate for those aged 15 and above is estimated at 41.7%, up from 24.5% in Fiscal Year 2019. This increase reflects improved access to employment opportunities, empowering women to make more informed shopping decisions.
 - c. *Participation in Household Decision Making:* Women are increasingly involved in household decision-making, with 91% of urban women and over 87% of rural women participating in these processes, according to the National Family Health Survey 5 (NFHS-5). This shift emphasizes the need for brands to cater specifically to this influential consumer segment.
 - d. *Increasing Financial Independence & Awareness:* According to NHFS-5, phone penetration among women reached 54% in FY 2021. Although internet usage remains lower among women (33% compared to 57% for men), the number of female online shoppers has surged, with around 108-136 million women participating in online shopping in CY 2024, indicating a notable shift in shopping behaviour towards digital platforms.
 3. *Digital maturity:* Increasing digital maturity is democratising information and boosting consumerism which is highlighted by a huge base of users with access to internet at the basic level.

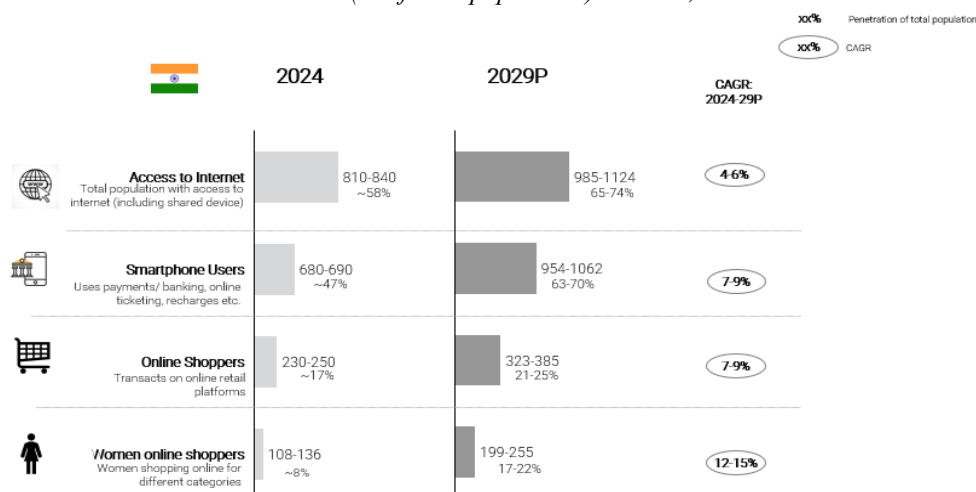
India is witnessing a promising digitization journey.

- a. **Access to the Internet:** Indian consumers are rapidly embracing digital technologies, with 810-840 million people having internet access as of CY 2024 (projected to reach 985-1,124 million by 2029). Of these, 680 to 690 million people used online services in CY 2024, which are projected to reach around 954 to 1,062 million by CY 2029. This surge is fuelled by rising household incomes, increased purchasing power, and widespread digitisation, which have reshaped consumer preferences towards convenience and digital services.

Exhibit 3

Internet Funnel India

Million users (% of total population) CY2024, CY29P



Note(s): 1. 'Users' here indicate number of unique individuals, which are estimated based on various public sources and databases.

Source(s): World Population Prospects, Redseer Research & Analysis

- b. **Unified Payments Interface (UPI):** UPI has emerged as a key driver of India's digitalization, experiencing ~183 billion transactions in Fiscal Year 2025 as against ~5 billion in Fiscal Year 2019.
- c. **Jan-Dhan Yojana:** The Pradhan Mantri Jan-Dhan Yojana has significantly promoted financial inclusion, leading to a rise in the financial inclusion index from 49.9% to 64.2% from Fiscal Year 2019 to Fiscal Year 2024. The number of women beneficiaries increased from ~187 million in Fiscal Year 2019 to ~304 million in as of February 2025.
- d. **Aadhaar:** Aadhaar initiatives are pivotal in India's digitization efforts, with ~1,412 million registered Aadhaar accounts, as of December 2024. This has enabled various digital services, enhancing convenience and connectivity.
- e. **Overall Online Shoppers and Women Shoppers:** The rise of e-commerce is transforming consumption patterns, with women constituting ~51% of India's online shoppers, totalling around 108-136 million. This number is projected to grow by 12-15%, driven by increasing financial independence among women and trend towards digital purchasing.

India's retail market currently stands at ~USD 976 billion, indicating a huge opportunity for brands to scale

In-line with the consumption growth trend, India's retail market has experienced robust growth, expanding at a CAGR of 12% from CY 2016 to CY 2019 to reach ~INR 62 trillion (~US\$ 729 billion), driven by demographic changes, government interventions, and evolving consumption patterns. Despite a temporary decline of 11% in CY 2020 due to the pandemic, the sector rebounded swiftly, reaching ~INR 83 trillion (~USD 976 billion) by CY 2024. Projections indicate continued growth at a CAGR of 8-10% by CY 2029, outpacing developed economies like the US, UK, and China, to reach INR 123-134 trillion (USD 1,447-1,576 billion), showcasing its resilience and potential. Also, there is a large untapped opportunity in Tier 3+ urban and rural areas with ~82% of the market

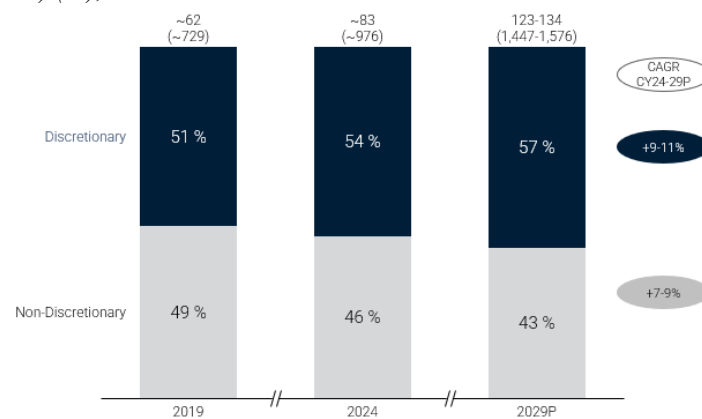
still being led by unorganised general trade stores as of CY 2024. As disposable incomes rise and urbanisation spreads, traditional retail is being displaced by organised offline and online retailers, which are expected to grow symbiotically, attracting new customers and converting users from unorganised retail through enhanced service offerings and operational efficiency.

Growth in India's retail market will be led by discretionary categories

As India's retail market matures, growth will be led by increased spending on discretionary categories, which are expected to reach ~INR 74 trillion (~USD 865 billion) by CY 2029, growing at a CAGR of 9-11%, faster than the overall market. Key enablers for this growth include the adoption of omnichannel strategies, availability of digital payment solutions, and consumer preference for sustainable and ethically sourced products, reflecting the evolving preferences of the Indian consumer.

Exhibit 4

Overall Retail Market in India is split into Discretionary and Non-Discretionary
INR Trillion (USD Billion) (%), CY 2019-29P



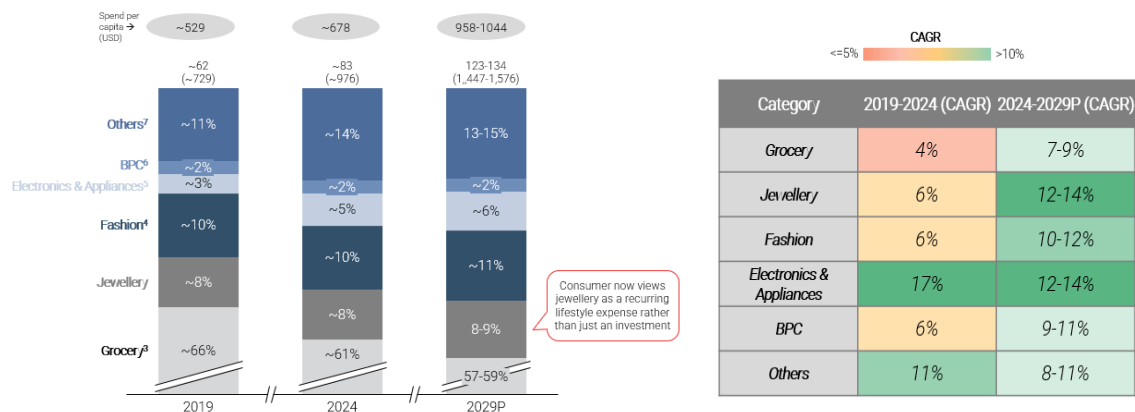
Note(s): 1. Discretionary expenditures include spending on categories such as FMCG (excl. staples), apparel, consumer electronics, consumer appliances, general merchandise, and beauty & personal care (BPC), among others. These tend to have cyclical demand, fluctuating with economic conditions. Non-discretionary expenditures encompass spending on essential categories such as pharmaceuticals, staples and fresh food, which are less sensitive to economic changes; 2. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

While grocery (largely non-discretionary) holds the largest share at ~61% in CY 2024, discretionary categories like electronics, jewellery, and fashion are expanding rapidly. This is being driven by rising consumption, income levels, and demand from Tier 3+ markets, alongside increasing influence from social media and the need for personalized shopping experiences, necessitating seamless technology integration in retail operations.

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Exhibit 5
Retail Category Mix
INR Trillion (USD Billion) (%), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85; 2. Calculated at the selling price before cancellations and returns; 3. Grocery includes fresh foods like fruits, vegetables, dairy and meat, FMCG and staples; 4. Fashion includes accessories, apparels and footwear; 5. Electronics & Appliances includes consumer durables and appliances; 6. Beauty and personal care includes beauty appliances, grooming, makeup and fragrance; 7. Others includes mobiles, pharma, alcohol & tobacco, general merchandise, eyewear, furniture, etc.

Source(s): Redseer Research & Analysis

India e-commerce is growing rapidly, with digital-first brands leading the way.

The surge in internet penetration following the pandemic has created a wave of digitally aware consumers across all economic tiers, reviving e-commerce expansion and reach. Digital channels now serve as the primary point of discovery, with social media, targeted advertising, and influencer marketing heavily driving customer awareness. Driven by the same, India e-commerce is projected to grow at 20-25% CAGR between CY 2024 and CY 2029. Digital-first brands (brands with >60% of gross sales value coming from online/online influenced channels, including digitally native brands and direct-to-consumer brands) are leveraging India's e-commerce market potential to grow rapidly. Digital first brands currently constitute ~28% of India's e-commerce market and are poised to continue their growth trajectory and attain a 44-49% share of the e-commerce market by CY 2029. The BlueStone brand was launched in 2011 and has over the years grown to become a leading brand amongst leading jewellery retailers in India in terms of revenue growth as of Fiscal 2024¹, enabled by its direct-to-consumer approach. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

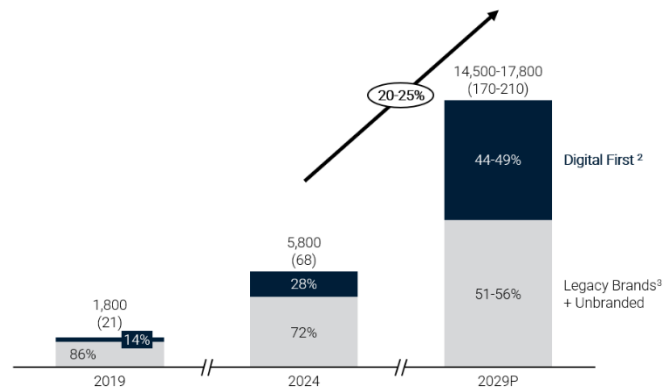
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¹ Retained for fiscal year 2024 as all peers' data haven't been released for fiscal year 2025

Exhibit 6

E-commerce in India Split by Brand Type

INR Billion (USD Billion), % of Total Online market, CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85, 2. Digital-first brands are brands with >60% of gross sales value coming from online/online influenced channels, 3. Legacy brands are established companies with traditional, primarily offline presence and may or may not have an online presence

Source(s): Redseer Research & Analysis

Omni-channel retail is witnessing rapid adoption in India

Organised retailers increasingly adopt an omnichannel approach, seamlessly blending their online and physical operations. This strategy not only delivers a unified shopping experience across multiple platforms, but also leverages the distinct advantages of each channel to elevate customer engagement. Through this integrated approach, retailers can build deeper consumer trust with direct sensory experiences, enhance the physical shopping environment, strengthen brand credibility through a consistent multi-channel presence, and meet consumer demands for shopping flexibility and convenience. An omni-channel approach not only increases conversion rate by driving high intent footfall, but also offers intelligence on store openings, which increases store success rate and improves store payback and breakeven period. By integrating data from various channels such as online sales, in-store transactions, and customer interactions, retailers gain real-time insights into consumer behaviour, demand patterns, and inventory levels. This data allows them to understand users, helping forecast demand more accurately, adjust stocking levels accordingly, reduce stockouts, minimise overstocking, and improve inventory turnover rates.


An omnichannel approach is critical, especially for high-ticket discretionary items like jewellery. 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 builds 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 shopping experience. Most consumers, who purchase high value products, prefer to research online and then buy from the offline physical stores, since the online mode does not allow consumers to look, touch and feel the product. The omnichannel approach helps players solve for this problem as they open experience centres or physical stores across various cities. Additionally, real-time inventory checks empower customers to plan store visits efficiently while showcasing the vast array of products available across channels. As per Redseer estimates, 50-60% of overall jewellery purchases in CY 2024 were online influenced purchases, which underscores the growing importance of digital channels and overall, it helps to aggregate demand online and fulfil it in a hybrid fashion.

Currently, most established Indian jewellery brands are mainly present in wedding and occasion jewellery, and there are limited brands that are focused solely on the growing daily wear segment with an omni-channel model.

The key differences between multi-channel and omnichannel are highlighted below:

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Exhibit 7
Multi-Channel vs Omnichannel
Descriptive



Category	Multi-Channel	Omnichannel
Focus	Reaching customers through multiple channels – Online /Offline	Unified customer experience across all channels- Online /Offline
Channel Integration	Operate independently without integration	Seamless Integration between channels
Conversion Rate	Low as channels operate in silos	Higher as sales are influenced heavily by online channels
Data Sharing	Limited data sharing between channels	Comprehensive data integration between channels
Analytics & Reporting	Difficulty in measuring customer journey across channels	Comprehensive customer journey tracking
Inventory Management	Limited inventory visibility across all channels	Inventory management across channels- leading to accurate inventory mapping
Marketing Strategy	Siloed marketing campaigns, mostly offline driven	Integrated marketing campaigns across channels
Customer Experience	Heavily dependent on channel	Consistent and personalised customer experience across channels
Returns & Exchanges	Frictional returning process dependent on channels	Customers can usually return or exchange items through any channel
Loyalty Programs	Mostly offer separate loyalty programs across channels	Unified loyalty program that tracks customer activity across all channels

Source(s): Redseer Research & Analysis

Section 2: Jewellery Industry in India

Global jewellery market is expanding due to the growing influence and impact of digitization.

The growth of the global jewellery market in the next 5 years will be driven by the rapid integration of technology worldwide, international retail chains and growing globalisation. Globally, jewellery is recognised not only as a symbol of status and affluent living but also as an enhancer of personal appearance and distinct features, making it a highly coveted aspirational item.

Diamonds and gold dominate the global jewellery market, accounting for 70-80% of the market opportunity. Gemstones, including sapphire, emerald, and ruby-studded jewellery, hold ~10% share, while platinum comprises a 5-7% share. The top 3 jewellery markets in the world are China, India, and the US. China leads the world in the jewellery market, with a size of ~INR 10,400 billion (~USD 122 billion), followed by the Indian jewellery market sized at ~INR 6,340 billion (USD ~75 billion) and the US market sized at ~INR 6,100 billion (~USD 72 billion) as of CY 2024. Driven by rising disposable incomes worldwide, rising demand for personalised and customised jewellery, and the growing popularity of online channels, the global jewellery market is poised for further growth. The growing penetration of e-commerce will also lead to the growth of new-age digital-first brands, which will play a vital role in expanding volumetric sales of jewellery worldwide.

Evolution in jewellery retail in India over the past decades

India's jewellery market has traditionally been fragmented, with a substantial portion dominated by small and independent retailers. However, recent years have seen a significant shift towards a more organised structure, particularly in urban areas where chain stores have gained a notable market share. This shift is primarily driven by consumer preferences for standardised products, transparent pricing, and enhanced shopping experiences.

A brief time-lapse of the evolution of jewellery retailing in India

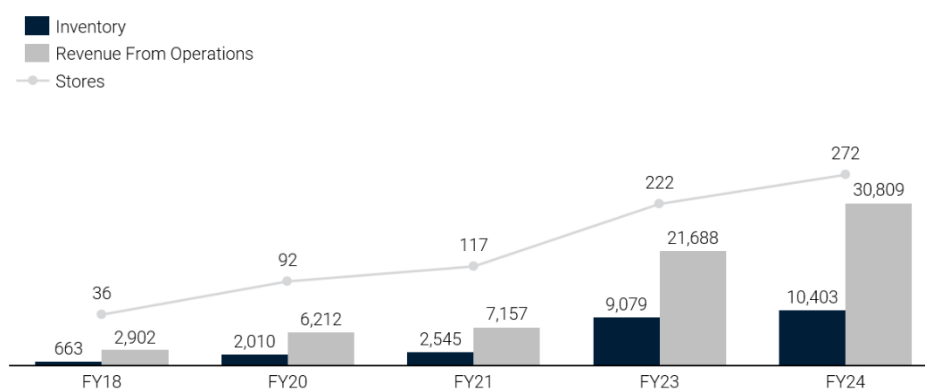
- Up to the Early 1990s:** The Indian jewellery market was dominated by trustworthy family-led jewellers with limited offerings. High transaction costs, opaque pricing, and challenging purity assessments were prevalent.

- b. *Early 1990s to Early 2000s:* Organised retail emerged with private investment in gold and diamond mining. Local players expanded, and brands like Tanishq emphasized purity and design. Despite advancements, issues with opaque pricing and purity verification persisted.
- c. *Late 2000s:* Organised retailers-built brand trust with innovations like karatmeters and jewellery exchange schemes. Players like Gitanjali offered BIS hallmarked jewellery, and banks began importing gold. The market saw micro-segmentation and franchise growth.
- d. *Late 2000s to 2016:* E-commerce for jewellery retail grew, especially in Tier 3 cities. Online players like BlueStone and CaratLane introduced advanced 3D tools. The government's import duty increase led to the gold monetisation scheme. Organised players gained market share.
- e. *2016- Present:* Online jewellery purchases gained trust, driven by branded players' reputation. Consumer preferences shifted towards curated designs, leading to inventory-led growth. Brands like CaratLane saw increased inventory and revenue. Competition and innovation grew during the time.

Exhibit 8

Growth in Inventory and Revenue from Operation - CaratLane²

INR Million, Fiscal Year 2018-24



Source(s): Annual Reports

India's jewellery market is poised for growth due to a myriad of factors

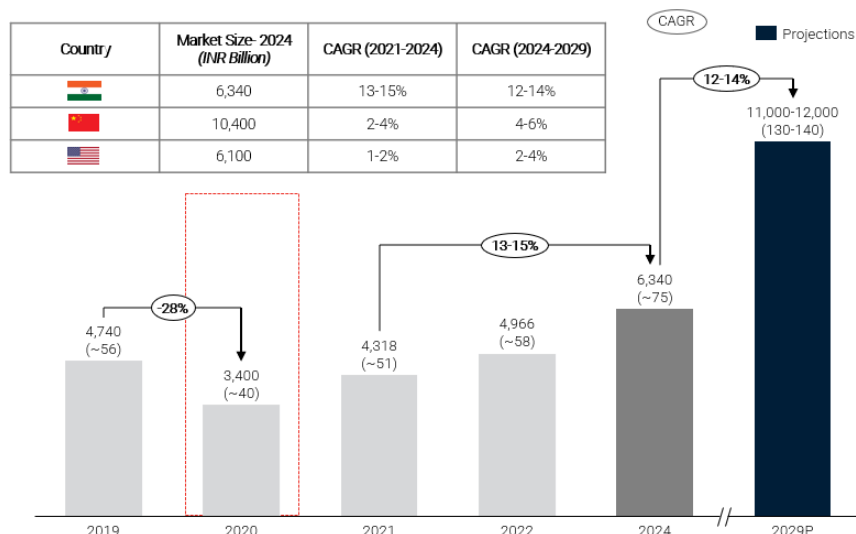
Post the temporary decline due to the COVID-19 pandemic, the Indian jewellery market has grown steadily at a CAGR of 13-15% between CY 2021-2024 and currently stands at ~INR 6,340 billion (USD ~75 billion). As stores reopened after the pandemic, footfalls improved, and consumer confidence in the economy was restored. Weddings, which generate most of the jewellery demand in the country, also resumed, boosting the market.

Further, India, in addition to being a big market, also plays a significant role in the jewellery supply chain rankings. As per GJEPC (Gem and Jewellery Export Promotion Council), in 2022, India held the first position amongst exporters (exporting more than ~90% of the global exports) of cut and polished diamonds and second in lab-grown diamonds (LGD). Lab-grown diamonds are affordable and ethically sourced, which resonates well with the younger generation and, hence, are widely popular amongst them.

India has been witnessing a higher growth rate than its global contemporaries. The growth rate of India has been significantly higher than that of China (CAGR of 2-4%) and the US (CAGR of 1-2%) between CY 2021 and CY 2024 due to its favourable demographics. Driven by these factors, the jewellery market in India is projected to reach INR 11,000-12,000 billion (USD 130-140 billion) by CY 2029, growing at a CAGR of 12-14% between CY 2024 and CY 2029. With this trajectory, the Indian jewellery market has surpassed US to become the second-largest market globally in CY 2024.

² Inventory, revenue from operations, and the number of stores are as of the end of each respective fiscal year as reported by the company

Exhibit 9
India Jewellery Market
INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

The growth drivers for the Indian jewellery market include -

1. Demand side drivers

- A. *Rising discretionary incomes leading to a burgeoning middle class, with gold as one of the preferred savings instruments*

As disposable incomes rise, especially amongst the burgeoning middle-class segment, sectors like jewellery particularly benefit, where purchases are often seen as investments. Data from the World Gold Council underscores this trend, revealing that a ~1% increase in gross national income (GNI) per capita is associated with a ~0.9% rise in gold demand.

- B. *A rising young urban population that prefers to be updated with latest fashion*

Jewellery purchases are no longer confined to weddings and festivals; these young consumers are keeping pace with global fashion trends and are increasingly acquiring jewellery for daily wear, as well as for gifts and celebratory occasions. This shift is characterised by a heightened demand for varied jewellery types, demonstrated by a decrease in the share of gold jewellery from ~87% in CY 2016 to ~81% in CY 2024. Conversely, the demand for diamonds and other metals has increased from ~13% in CY 2016 to ~19% in CY 2024, reflecting a broader diversity in consumer tastes and lifestyle aspirations.

- C. *Financially independent working women emerging as the new generation of shoppers*

With the increasing prominence of financially independent working women, supplemented by affordability constructs such as easy credit availability, women are increasingly becoming pivotal in directly driving jewellery sales in India. This is demonstrated by the increasing participation of women in major household purchases, from 84% in NFHS-4 to 88.7% in NFHS-5.

- D. *Jewellery nowadays is considered an accessory more than a status symbol (cue for daily/casual jewellery)*

Recognised for its capacity to infuse personal style and charm into daily attire, jewellery now occupies a pivotal position in contemporary fashion, reflecting a broader societal shift towards valuing accessories as conduits of individual expression and identity.

E. Jewellery's Growing Cultural Appeal in India

With the rising prominence of cultural identity in India, the emotional significance of jewellery is poised to fuel its demand even further. This emotional connection to jewellery not only highlights its symbolic importance but also reinforces its role as a timeless embodiment of tradition and heritage in Indian society.

F. Western influence on clothing resulting in greater demand for studded (diamonds)

The growing influence of western fashion trends has sparked a surge in demand for studded jewellery accessories. As consumers seek to emulate the glamour and sophistication associated with Western styles, there is a heightened interest in incorporating diamond jewellery into clothing items. This trend reflects a broader cultural shift towards luxury and self-expression, driving the popularity of studded garments in the fashion landscape.

2. Supply side drivers

A. A favourable regulatory environment facilitating investments and boosting consumer trust

- i. *Eased FDI policy:* India now allows 100% foreign direct investment in the jewellery sector under the automatic route, enhancing foreign investment, technological advancements, and competitiveness.
- ii. *BIS Hallmarking Scheme:* Mandatory BIS marking for gold jewellery ensures quality checks and enhances consumer confidence in product authenticity and purity.
- iii. *Jewellery parks & Diamond Bourse:* Establishment of jewellery parks and the Surat Diamond Bourse streamlines and modernises the jewellery market, fostering growth, innovation, and collaboration.
- iv. *ECLGS:* The Emergency Credit Line Guarantee Scheme supports MSMEs, benefiting over 90% of the gems and jewellery sector and stimulating growth and innovation.

B. Strong skill sets in India in terms of manufacturing and craftsmanship

India's jewellery industry boasts remarkable manufacturing processes and artisanal craftsmanship, upheld by its skilled karigars and their mastery of centuries-old traditions. Through focused skill development initiatives, the nation nurtures these artisans, ensuring their talents continue to flourish. This commitment to heritage expertise and ongoing innovation cements India's status as a global leader in jewellery manufacturing.

C. Gold Metal Loan scheme for manufacturers boosting production

Gold Metal Loan (GML) is a mechanism by which jewellery manufacturers borrow gold metal from banks or financial institutions instead of using traditional currency like rupees or dollars. This scheme allows manufacturers to access the raw materials needed for production without upfront cash. GML can be availed for 180 days in the case of domestic jewellery manufacturers and for 270 days in the case of exports.

Benefits for Manufacturers: Gold Metal Loans (GML) fulfil working capital needs for jewellery manufacturers, ensuring smooth operations without tying up cash reserves, and are generally more cost-effective than Working Capital Loans (2-3% vs. higher). With options like Fixed Term GML and Gold Overdrafts, manufacturers gain financial flexibility, and the upfront delivery of gold with price fixation helps mitigate risks from price fluctuations, aiding in stable production costs.

Benefits for Lenders: Lenders benefit from physical gold collateral, reducing default risk and ensuring repayment, while generating steady interest income, diversifying their portfolio, and enhancing market share and profitability with competitive rates and flexible terms.

Regulations under the GML Scheme: Under RBI regulations, Gold Metal Loans (GML) are restricted to jewellers who manufacture gold jewellery and cannot resell borrowed gold, with

enhanced scrutiny requiring comprehensive credit assessments, loan limits based on due diligence, repayment compliance with IGDS or LGDS, and gold for repayment from approved refiners or central agencies, all to be clearly stated in loan agreements and integrated into bank policies with rigorous risk management and monitoring.

Key threats and challenges related to the jewellery industry -

In addition to the growth drivers, the jewellery retail market in India with focus on omnichannel business model, faces a complex landscape filled with both opportunities as well as challenges. It may also encounter several threats that could impede its growth trajectory and stability. The factors are stated below:

A. Economic Conditions

The jewellery industry is highly sensitive to the broader economic environment. Economic stability and growth typically lead to higher disposable incomes and increased consumer spending power, which boost jewellery sales. Conversely, economic downturns or recessions can lead to reduced discretionary spending, directly impacting jewellery demand. High interest rates raise the cost of borrowing for both jewellers and consumers, making it more expensive to finance operations and purchases, which in turn decreases demand. Furthermore, investors may shift their preferences to financial instruments with better returns, diminishing the appeal of gold and jewellery as investments.

B. Increasing Gold and Diamond Prices

Gold prices, which fluctuate based on global market conditions and currency exchange rates, play a crucial role in the jewellery industry. An increase in gold prices significantly impacts the Indian jewellery market by reducing consumer demand, as higher prices lead to postponed or cancelled purchases, and consumers may opt for lighter or less expensive pieces. Jewellers face higher production costs, squeezing profit margins unless they increase prices, which can further reduce demand. Diamond demand is rising, particularly in emerging economies like India, where the growing middle class is driving an increased appetite for luxury goods. The high cost of mining and processing natural diamonds, coupled with their limited supply, has led to price increases.

C. Labour Cost

Labour costs impact the jewellery industry by increasing production costs and influencing pricing strategies. Higher labour costs raise the prices of finished products as jewellers strive to maintain profit margins. The industry relies heavily on skilled artisans, and attracting and retaining this talent can be expensive.

D. Government Policies and Regulations

Government policies, including import duties on gold, taxes, and hallmarking regulations, significantly influence the jewellery industry. These regulations can affect the cost structure, pricing, and quality of jewellery, thereby impacting consumer trust and market dynamics. High import duties on gold and other precious metals raise production costs and diminish the industry's competitiveness. Fluctuating gold prices impact industry demand and profitability, causing consumers to delay or cancel purchases during price peaks. Product standardization and certification deficiencies contribute to quality concerns and consumer scepticism.

E. Changing Consumer Preferences

In India, jewellery holds deep cultural and social significance. It is an integral part of various traditions, particularly during festivals, weddings, and religious ceremonies. These cultural imperatives create a steady demand for jewellery, often irrespective of economic conditions. However, consumer tastes in jewellery are continually evolving. There is a noticeable shift towards lightweight and daily wear jewellery, which is driven by changing lifestyles and fashion trends. Understanding and adapting to these preferences is crucial for staying relevant in the market.

F. Competition

The jewellery market in India is highly competitive, with both domestic and international players vying for market share. Companies compete on various fronts, including pricing, product offerings, quality, and marketing strategies. Intense competition can drive innovation and improve consumer choices but can also pressure profit margins. Some of the key peers of BlueStone include players such as CaratLane Trading Private Limited, Kalyan Jewellers India Limited, Senco Gold Limited, Titan Limited (Tanishq), PC Jeweller Limited, and Thangamayil Jewellery Limited.

G. *Supply Chain and Logistics*

Efficient supply chains and access to high-quality raw materials are vital for maintaining the quality and cost-effectiveness of jewellery. Disruptions in the supply chain, whether due to geopolitical issues or logistical challenges, can lead to inventory shortages and increased costs, affecting overall profitability.

H. *Franchisee Risk*

Under the franchise model, the store is owned by the franchise but operated by companies. This gives a higher degree of control to the companies, while minimising operational and inventory risks by overseeing day-to-day operations and having the inventory on their books. However, companies are faced with the risk of any defaults by the franchise. These include inability of the franchisee to invest the amount contemplated under the agreement thereby resulting in a loss of opportunity to establish new stores and expand the network.

India's large ~USD 75 billion jewellery market is quite heterogeneous

India's highly diverse market jewellery market can be segmented on the following axes:

- a) *Region*
- b) *Occasion*
- c) *Product Type*
- d) *Stone/Metal Type*
- e) *City Tier*

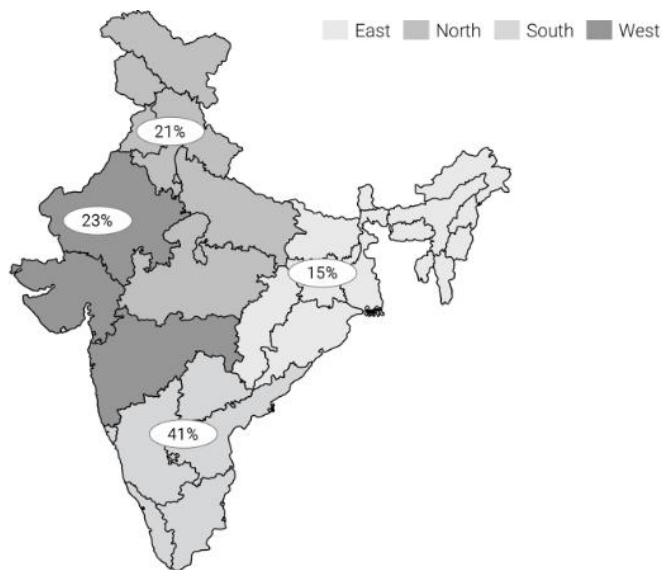
A. *Segmentation by Region*

The Indian jewellery market showcases distinctive regional preferences. The southern states form most of the sales and are followed by the west, north and east. Southern states contribute to ~41% of the total jewellery sales and are a major jewellery hub home to over 2 lakh traditional local goldsmiths and jewellers. Here, consumers prefer traditional 24 and 22-carat plain yellow gold jewellery. The preference is mostly for temples, kemp, and antique jewellery. However, consumers in the Northern and Western regions prefer light-weight studded jewellery (Studded jewellery refers to jewellery pieces that prominently feature gemstones or precious stones). While jewellery preferences vary by segment, there is a rising demand for daily wear jewellery, which has a pan-India demand. BlueStone is amongst the few leading jewellery retailers with a PAN India presence, due to which it has a higher customer following and brand visibility, as visible from the number of Instagram followers, as on 26th May 2025. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

Additionally, regional distribution can be analysed based on three key parameters: Recency, frequency, and monetary value of purchases.

- Recency is led by the eastern region, showcasing a preference for up-to-date jewellery purchases with new designs and materials.
- Frequency – The northern and the western regions showcase the highest frequency of purchases, suggesting shorter purchasing cycles and continuous demand for jewellery.
- Monetary Value – The southern region leads in monetary value, indicating the propensity to spend a large amount of money. This is driven by the cultural practice of purchasing significant amount of gold for weddings in southern states.

Exhibit 10
Indian Jewellery Market Split by Region
%, CY 2024



Note(s): 1. North refer to Jammu and Kashmir, Ladakh, Himachal Pradesh, Uttarakhand, Punjab, Haryana, Delhi, Uttar Pradesh, Madhya Pradesh. South refers to Telangana, Andhra Pradesh, Tamil Nadu, Kerala, Karnataka, Goa. East refers to Odisha, Chhattisgarh, Jharkhand, West Bengal, Bihar, Sikkim, Meghalaya, Assam, Arunachal Pradesh, Nagaland, Mizoram, Manipur, Tripura, Meghalaya. West refers to Rajasthan, Gujarat, Maharashtra

Source(s): Redseer Research & Analysis

B. Segmentation by Occasion

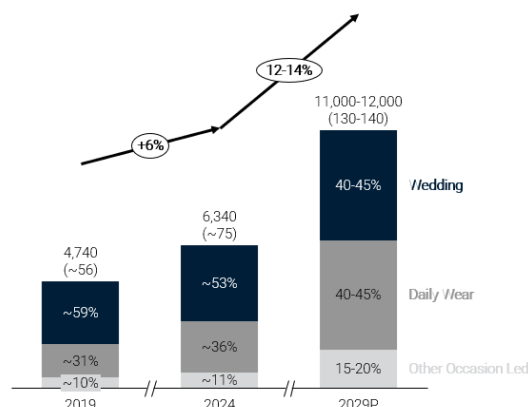
The Indian jewellery market demand is seasonal. This seasonality is driven by various occasions, including the wedding months, the harvest season, and multiple festivals.

- *Wedding season as a key promoter (May-June, October-February)*- The tradition of purchasing jewellery for weddings reflects deeply rooted cultural sentiments and familial values in Indian society as it is deeply embedded in the culture. As per the Gold Council of India retailer survey, weddings emerged as the number one purchase occasion to buy gold, followed by other important occasions such as birthdays and festivals.
- *Harvest season in rural areas*- With over ~64% of the population living in rural areas in CY 2023, the demand for gold is intricately tied to agricultural cycles, with most of the demand coming in the harvest season as a large swathe of rural India is still dependent on agriculture and related industries for financial stability. Driven by the perceived stability of jewellery and limited access to financial institutions, investments in jewellery, particularly gold, are significant in agriculture-led areas. The demand peaks during the harvest of kharif crops, which runs from September to November, and then again from January to April, during the harvest of rabi crops.
- *Festival/Event Frenzy*- Festivals and auspicious occasions significantly influence the seasonal trends in jewellery sales, with Dhanteras, marking the beginning of Diwali in October, Valentine's Day in February and Akshaya Tritiya, occurring between late April and early May, particularly prominent for purchasing jewellery. In CY 2023, Akshaya Tritiya recorded a business of ~INR 145 billion (~USD 1.7 billion). Despite high gold prices, CY 2024 saw a ~30% increase in jewellery sales volume during Akshaya Tritiya.

Based on the occasion they are worn, jewellery in India can be segmented into three parts:

- Wedding-wear jewellery*
- Daily-wear jewellery*
- Other Occasion-led jewellery*

Exhibit 11
Indian Jewellery Market Split by Occasion
INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85; 2. Other occasion-led includes jewellery suitable for formal gatherings, parties, anniversaries, and other significant milestones.
Source(s): Redseer Research & Analysis

Below are the key differences across the occasion-wise jewellery segments

Exhibit 12
Key Differences across the Occasion-wise Jewellery Segments
Descriptive

Category	Wedding	Daily Wear	Other Occasion Led
Typical Customer profile	22-50+ (Young to mid age shoppers, families etc)	22-40 (Young shoppers, working professionals etc)	22-60 (Families, young to mid age shoppers etc)
Repeat business	Low	Medium	High
ASP (Average Selling Price)	1-1.5 Lakh	25-35K	35-50K
Key product designs	Heavy intricate gold jewellery	Studded light weight designs	Unique studded designs
Gross margins	20-25%	35-40%	30-35%
Design approach	Less variability in design as these are usually 22K, 24K	Variability due to lightweight jewellery (Usually 14-18K)	High variations due to customer demands (Usually 18K-22K used)
Typical discovery mode	Led mostly by traditional stores	Led mostly by casual/digital browsing	Led mostly by casual/digital browsing
Preferred Store formats	B&M; Large format stores (2,500-3,000 sq. feet)	Omnichannel; Mid-large format store (1,000-1,500 sq. feet)	Omnichannel; Mid-large format store (1,000-1,500 sq. feet)

Source(s): Redseer Research & Analysis

I. Wedding-wear jewellery

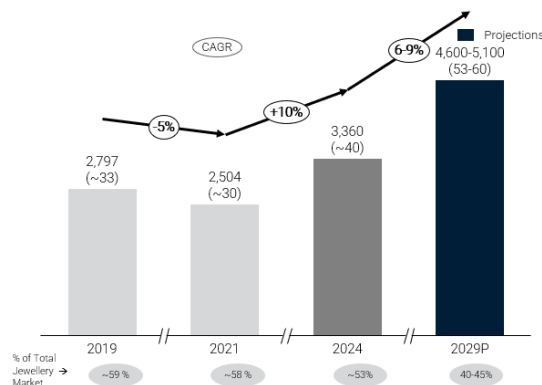
Wedding-wear jewellery, crucial for bridal attire and wedding-related gifts, forms a significant part of the Indian jewellery market, rooted deeply in India's cultural traditions. Indian weddings, which range from celebrity affairs to more modest ceremonies, typically feature elaborate pieces like necklaces, heavy bangles, and chains. Post the pandemic, the segment saw a resurgence, and the market was sized at ~INR 3,360 billion (~USD 40 billion), growing at a CAGR of ~10% between CY 2021 and CY 2024, contributing to ~53% of the jewellery market. Most of the cartage of jewellery preferred in this segment is 22k or 18k.

Wedding jewellery accounts for the largest share of the total wedding expenses at 25-30%. An average of 30 to 250 grams of gold is consumed in marriages across India on gold bangles, mangal sutra, nose rings, necklaces etc. The average cost of these can range between INR 0.15 million and INR 1.3 million. The demand also comes from gifting jewellery given to the couple's immediate family. Driven by the significance of the wedding wear jewellery market in India's ethos, the segment is projected to reach INR 4,600-5,100 billion (USD 53-60 billion) by CY 2029, growing at a CAGR of 6-9%, accounting for a market share of 40-45% of the total jewellery market.

Exhibit 13

Wedding-wear Jewellery market in India

INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

Driven by wedding-influenced demand, India enjoys a high ATV (Average transaction value)

The Average Transaction Value (ATV) is a key indicator of consumer spending habits and preferences. In the U.S., ATVs are higher due to the prevalence of diamond jewellery in items such as engagement rings and bracelets. In contrast, India's higher ATV results from larger basket sizes (3-5 items) and a focus on intricate heavy gold jewellery, influenced by cultural practices like weddings and family purchases. Conversely, China's ATV is lower, attributed to smaller basket sizes (1-2 items) and a product mix including lightweight gold items and charms. In CY 2024, India's average transaction value is competitively positioned at INR 67,000-1,12,000, which was 30-60% higher than China (INR 50,000-70,000) and 15-25% lower than the U.S (which stands at INR 80,000-1,30,000)³, indicating strong consumer purchasing power. This variance in ATVs across countries illustrates the heterogeneity of consumer behaviour and preferences in the jewellery sector.

II. Daily-wear Jewellery

Daily wear refers to the jewellery purchased for everyday wear. These are typically lighter jewellery ranging from 5-30 grams in weight. Daily wear jewellery has grown in popularity in recent years as customer's preference for more affordable and useful options for their everyday jewellery needs has increased. This segment includes small-to-medium pieces of jewellery that are worn regularly by consumers. These pieces are primarily rings, earrings, chains, and bangles/bracelets. Most of the cartage in this segment is 18k or 14k.

Driven by a shift in consumer demography and preferences, the segment grew to ~INR 2,282 billion (~USD 27 billion) at a CAGR of ~17% between CY 2021 and CY 2024 (occupying an overall share of ~36% of the jewellery market). The salience of the daily wear jewellery market in the overall jewellery market is projected to further increase as the daily wear segment is projected to grow at a CAGR of 15-18% from CY 2024 to CY 2029, driven by increasing customers favouring comfort and affordability along with fashion trends emphasising practical yet stylish designs. There has been a significant increase in online demand for daily jewellery growing at a CAGR of 60-70% between CY 2021 to CY 2024. Due to improving customer shopping experiences through omnichannel models, this reach has also expanded beyond Tier 1 cities.

Some of the factors leading to the growth of this segment are:

³ The ATV figures are not adjusted for purchasing power parity (PPP)

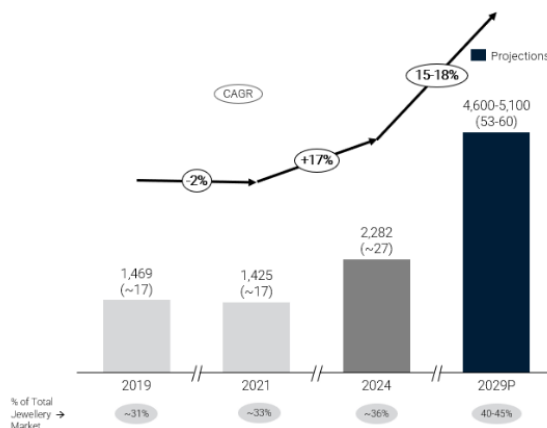
- a. *Shift in Consumer Base and Preferences:* India's consumer base is shifting towards young, urban buyers, driving demand for modern, streamlined everyday jewellery designs. There's an increasing preference for affordable, lightweight studded jewellery, minimalist western styles, and versatile pieces that complement casual, contemporary outfits. Consumers are moving away from traditional, ornate jewellery, embracing trendy, uniquely designed daily-use pieces seen as accessories rather than status symbols. This shift is evident in the rising demand for contemporary items like rings, necklaces, trinkets, and bracelets, which also saw 50-60% of purchases being online-influenced in CY 2024, reflecting changes in the consumer journey.
- b. *Increase in Working Women participation:* As women play a more prominent role in the Indian workforce, the demand for everyday jewellery has surged. Brands are recognizing this segment's potential, introducing new products and collections, with sub-brands targeting this emerging consumer base. Influenced by social media and global designs, consumers now favour shorter replacement cycles, purchasing jewellery more frequently to stay updated with the latest trends.
- c. *Better designs from manufacturers:* To cater to young shoppers who pair jewellery with western attire, major retail chains and designers are focusing on daily wear and fast-moving items like chains and rings. Manufacturers are adapting their product lines to match contemporary styles, enhancing customer lifetime value with frequent returns for new designs. BlueStone is the fastest among leading jewellery retailers in India in terms of manufacturing to shelf turnaround time and is amongst the top 3 leading jewellery retailers in terms of design to store turnaround time as of Financial Year ending 2025. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

Continuing this advanced growth trajectory, the daily wear jewellery segment is projected to grow at a CAGR of 15-18% to reach a market size of INR 4,600-5,100 billion (USD 53-60 billion) in CY 2029, contributing to 40-45% of the overall jewellery market, as brands identify and address the whitespace in the market.

Exhibit 14

Daily-wear Jewellery market in India

INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

III. Other occasion-led Jewellery

Jewellery worn occasionally, such as on festivals, birthdays, anniversaries, events, etc., comprises other occasion-led jewellery. Jewellery tailored for other occasions beyond traditional celebrations is gaining traction, particularly due to its design-led approach, which integrates a higher component of studded elements such as diamonds and precious stones. The market currently contributes ~11% of the total and was sized at ~INR 697 billion (~USD 8 billion) in CY 2024.

India's young, urban consumer base is not averse to global trends and likes to explore new, modern designs. These designs have a studded component, which results in higher margins for the players, making it a lucrative segment. These jewellery pieces are more affordable for consumers, making them an attractive option for a broader audience. The affordability stems from using varied low-cost materials with minimal pure metal use and

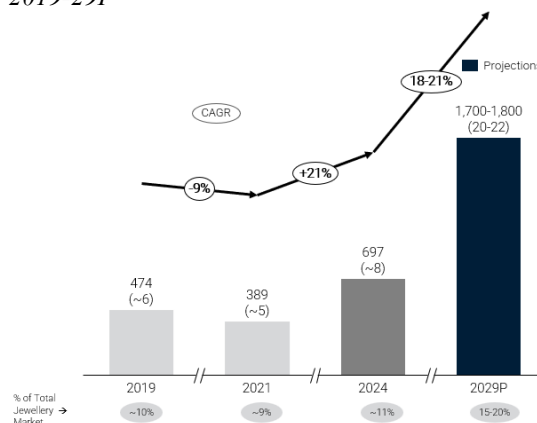
innovative production techniques, which are less intricate and keep costs lower while still delivering aesthetically pleasing and trendy items. This affordability not only appeals to budget-conscious buyers but also aligns with the purchasing power of younger consumers who seek style and value in their buying choices. Additionally, the lifetime value (LTV) of customers who purchase occasion-led jewellery tends to be higher. Since these pieces are versatile and suitable for various events, customers often return for multiple purchases. This repeat patronage boosts the LTV, making it a lucrative segment for jewellers.

Due to the factors mentioned above, the occasion-led jewellery segment is projected to grow the fastest, at a CAGR of 18-21% between CY 2024 and CY 2029, to reach a market size of INR 1,700-1,800 billion (USD 20-22 billion), contributing to 15-20% of the overall jewellery market.

Exhibit 15

Occasion-led Jewellery market in India

INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85; 2. Other Occasion-led Jewellery is occasionally worn, such as on festivals, birthdays, anniversaries, events, etc.

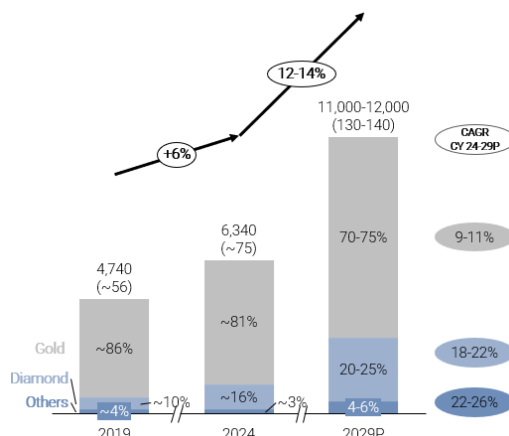
Source(s): Redseer Research & Analysis

The preference for non-gold jewellery is increasing, driving the popularity of casual jewellery due to shifting consumer tastes

In the jewellery market, the share of gold is decreasing, accompanied by a notable rise in the market share of diamonds and other material types. This shift is indicative of a shifting consumer preference towards more casual jewellery options. As the market evolves, jewellers are strategically adjusting their product offerings to meet the changing demands.

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Exhibit 16
Indian Jewellery Market Split by Metal/Stone Type
INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85; 2. Others include silver, platinum, and precious stones.
Source(s): Redseer Research & Analysis

Also, non-wedding segments have higher margins, leading to stronger push from manufacturers

Gross margins are lower in the wedding wear segment due to consumers' preference for simple designs and the high carat requirement to manufacture them. This is mainly driven by southern states who buy high-quality gold jewellery (24 and 22 carats) with simple designs. This reduces the gross margin as the cost of goods is very high, and the margins are structured around making charges and brand-led premiums.

Daily wear and other occasion-led jewellery have a higher margin as compared to wedding wear due to them being diamond/studded jewellery focused. This results in gross margins increasing due to custom designs, multiple studs and mark-ups of the multiple stones & metals used. In terms of competitive analysis in gross margin, BlueStone has the highest gross margins, amongst the leading jewellery retailers in India, as of financial year 2024⁴. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer). Further, BlueStone is amongst the top 5 leading jewellery retailers in India in terms of the number of designs listed on the platform, as on 28th May 2025. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

Exhibit 17
Gross margins across wedding wear, daily wear, and other occasion-led wear jewellery%
CY 2024

	Wedding wear	Daily wear	Other-Occasion Led
Gross Margins	5-15%	25-35%	30-40%

Legend:



Source(s): Redseer Research & Analysis

Regional Prominence of Jewellery Occasions

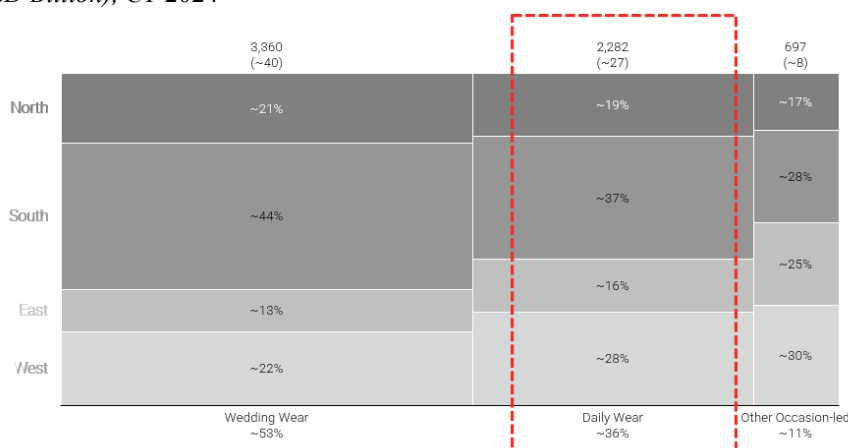
⁴ Retained for fiscal year 2024 as all peers' data haven't been released for fiscal year 2025

The wedding wear segment forms ~53% of the market share and is dominated by the southern region at ~44%. The southern region is followed by western, northern, and eastern regions at ~22%, ~21% and ~13% respectively. The daily wear segment is ~36% of the total market size and is led by the southern and western regions at ~37% and ~28%, respectively. They are followed by the northern and eastern regions at ~19% and ~16%, respectively. Other Occasion-led jewellery forms ~11% of the total market size and is approximately similarly dispersed amongst the four regions, with the western regions having a ~30% share. The northern, southern, and eastern regions make up ~17%, 28%, and ~25% of the occasion-led segment, respectively.

Exhibit 18

Indian Jewellery Market Split by region - Deep dive

INR Billion (USD Billion), CY 2024



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

C. Segmentation by Product Type

The Indian jewellery product assortment primarily consists of necklaces, bangles, chains, earrings, and rings. There are other items with limited demand, such as maang-tika, nose rings, armbands, waistbands, anklets, toe rings, etc.

- **Necklaces**

Necklaces include collar necklaces, kundan necklaces, polki necklaces, rani haar, etc. These are the most sold product items in the wedding jewellery category. In CY 2024, necklaces contributed to 35-37% of the total wedding jewellery sales in India, driven primarily by their higher importance in wedding jewellery. When it comes to daily wear and other occasion-led jewellery to wear, the contribution of necklaces stood at 1-2% and 2-4%, respectively. In terms of gold content, necklaces emerged at the top, with weights ranging from 25-250 grams.

- **Bangles**

Bangles (also including bracelets) contributed to 24-26% of the wedding jewellery market in CY 2024. The varieties are Kada, Kundan, Cuffs, Filgree, Nagapadam Vala etc. It is the second most sold product in the wedding jewellery category.

- **Chains**

Chains (also including pendants and mangal sutra) contributed to 20-22% of the wedding jewellery market in CY 2024, driven by their prominent importance in the wedding jewellery market (mangal sutras). Chains are also featured in the daily and other occasion-led jewellery wear segments, where they contributed to 17-19% and 12-14% of the respective markets. Chains are also one of the top sellers in terms of number of sales.

- **Rings**

Rings have been adopted from the west by young Indian consumers as a showcase of love. The top preferred items are diamond studded gold rings, gender neutral rings and vintage nostalgia. They are also an integral part of engagement and wedding ceremonies and contribute to 10-12% of the wedding jewellery market in CY 2024. Rings also featured as the highest-selling daily wear and other occasion-led wear accessory among women, with their contribution being 37-39% and 38-40%, respectively. The share of rings has increased in daily wear and other occasion-led jewellery due to increased adoption by men with platinum and gold preferences.

- *Earrings*

In CY 2024, earrings contributed to 33-35% of the other occasion-led jewellery market. Top-selling chain items are Classic Rollo, Cable Corvette, Modern Omega, Box, etc. Driven by their importance in Indian tradition, piercing the ears of children or babies is an important tradition among some families. Further, earrings are also featured as an essential daily wear and jewellery accessory for women. Their contribution in the daily wear and wedding wear segments was 31-33% and 5-7%, respectively.

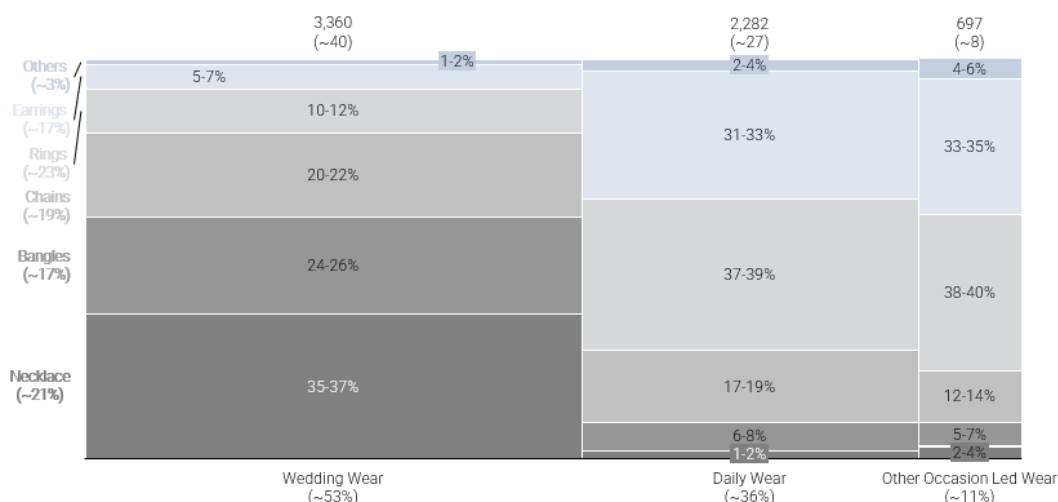
- *Others*

This is a small category of jewellery, mainly comprising anklets, brooches, nose pins, maang tika, etc. These items have a small ticket size and contribute to 1-2% of the wedding jewellery market as of CY 2024. Their contribution is highest in the other occasion-led wear category, wherein these products contribute to 4-6% of the market, followed by the daily wear segment, wherein they contribute to 2-4% of the market.

Exhibit 19

Indian Jewellery Market Split by Product Type

INR Billion (USD Billion), CY 2024



Note(s): 1. Bangles include bracelets; 2. Chains include pendants and mangal sutra; 3. Other in jewellery refers to anklets, brooches, nose pins, maang tika, etc.; 4. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

D. Segmentation by Stone/Metal/Type:

Based on stone/metal type, the Indian jewellery market can be segmented into jewellery made of:

- Gold
- Diamond
- Other materials (silver, precious stones, platinum etc)

Each metal possesses its unique values and qualities, leading to customers' specific preferences.

I. Gold

Gold continues to dominate the Indian jewellery market, holding ~81% of the market share in CY 2024. Despite the large base, between CY 2021 and CY 2024, the gold jewellery market managed a growth rate of ~12% annually, reaching an estimated market size of INR ~5,136 billion (~USD 60 billion). Schemes like gold exchange programs by the branded players assist customers in getting a fair value for their old gold, upgrading to newer designs, and potentially saving money compared to purchasing new items outright. Launched as of 27 May 2023, BlueStone is the only player among leading jewellery retailers in India, to offer a carat upgrade on old gold, with its old gold exchange scheme (Big Gold Upgrade). (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

Looking ahead, the gold jewellery market is expected to grow at a CAGR of 9-11% from CY 2024 to CY 2029, potentially reaching a market size of INR 8,000-8,500 billion (USD 94-100 billion). This growth is anticipated to be driven by increasing consumer interest in studded gold jewellery and lighter designs suitable for daily wear and other occasions. Despite this growth, gold's proportional contribution to the overall jewellery market is projected to decrease to 70-75% as other metals gain popularity and market share.

Indian households have accumulated gold from centuries' old gold savings culture, leading to old gold exchange contributing 15% to 20% of the total jewellery transactions. Currently, better technology such as XRF meters and electronic melting machines to enable accurate checking of gold purity, coupled with current rising gold rates, significantly enhances the advantages of old gold exchange. Consumers typically prefer jewellers who can provide full market value to trade in their old gold jewellery whilst simultaneously making a purchase of new jewellery.

II. Diamond

Diamond jewellery comprises the second largest share of the Indian jewellery market, sized at ~INR 1,014 billion (~USD 12 billion), contributing to ~16% of the overall market in CY 2024. This segment has grown swiftly in the last few years with the rising awareness of consumers. The increase in demand for diamond jewellery can be attributed to a variety of factors including shifting consumer preferences towards timeless sophistication, coupled with the increasing availability of diverse designs and customisable options catering to discerning tastes. Furthermore, the pervasive influence of westernisation and global fashion trends continues to elevate the appeal of diamond jewellery, fostering its market expansion. While this trend has been evident in major Tier 1 and Tier 2 cities for some time, Tier 3 cities and beyond are now experiencing a notable surge in demand. This growth is propelled by rising income levels, effective brand marketing initiatives, and innovative product offerings, all contributing to making diamonds more accessible and desirable.

The number of first-time diamond buyers in smaller urban areas has been growing exponentially in recent years. This trend is projected to persist, especially as disposable incomes begin to rise with changing consumer preferences, ease of designs, influence of westernisation, etc. Due to the aforementioned factors, the segment is projected to grow at a CAGR of 18-22% between CY 2024 and CY 2029, with its contribution to the Indian jewellery market projected to reach 20-25% by CY 2029.

III. Others including silver, precious stones, and platinum metals

India plays an important role as the world's largest silver fabricator. Over the last decade, there has been an increase in the demand for silver and platinum jewellery owing to the rising gold price. Gold-plated silver jewellery has emerged as one of the fastest-growing segments in recent years. Precious stones such as sapphire, ruby, etc., also form a part of the other jewellery market. With the rise in daily wear jewellery, precious stones are also seeing a growth in demand. This has resulted in the growth of this segment at a CAGR of ~30% from CY 2021-2024 with rising consumer confidence over the period. Further, it is expected to grow at a CAGR of 22-26% between CY 2024-2029 to reach INR 500-600 billion (USD 6-7 billion) holding 4-6% of share.

Non-gold segments have higher margins

Gross margins for diamond studded jewellery range between 30-40% and are significantly higher than plain gold jewellery, which typically has margins ranging between 10-20%. On the other hand,

silver/platinum jewellery tends to have the highest gross margins ranging between 40-50%. Non-gold segments often yield higher margins due to low raw material costs, opportunities for innovative designs and the ability to demand premium prices based on market demand and brand positioning.

This variance is primarily attributable to the brand premiums associated with non-gold segments, coupled with the non-transparent pricing information available for the non-gold market. Furthermore, the intricacy of designs characterising non-gold segments, particularly diamond-studded jewellery, caters to consumer preferences for aesthetic appeal and exclusivity, consequently bolstering margins. Moreover, the incorporation of premium gemstones in studded jewellery serves as an additional revenue driver, enabling manufacturers to command higher price points and margins. Additionally, the use of lower-quality gold for setting gemstones leads to cost reduction, thereby optimising margins. These higher margins incentivise manufacturers to push for non-gold segments, leading to their growth.

Exhibit 20

Gross margins by Metal/Stone Type

%, CY 2024

	Gold	Diamond	Other
Gross Margins	10-20%	30-40%	40-50%

Legend:



Source(s): Redseer Research & Analysis

The studded jewellery market is gaining higher prominence going beyond northern regions

The studded jewellery market has an estimated market share of 15-25% of the overall jewellery market. India has experienced a significant increase in demand for studded jewellery in recent years, growing from ~INR 820 billion (~USD 10 billion) in CY 2021 to ~INR 1,268 billion (~USD 15 billion) in CY 2024 with a CAGR of ~16%, largely influenced by consumers shifting preferences in line with global trends (seeking studded jewellery with better designs). It comprises of 60-70% diamond-studded jewellery, while the remaining is studded with precious or semi-precious stones.

In the northern and western regions of India, the consumers typically prefer studded and lighter-weight jewellery pieces to traditional gold jewellery, especially for non-wedding occasions. GenZ & Millennials are driving the demand for lighter-weight jewellery because of higher comfort, versatility, affordability, and trend-focused designs, allowing them to express their style and creativity effortlessly. Hence, most of the purchases are impulse-led due to lower prices as these items are predominantly offered in lower caratage (14-carat and 18-carat). This trend can be attributed to two primary factors. Firstly, studded jewellery is primarily sought after for adornment purposes, and secondly, lower cartage facilitates superior stone settings, enhancing the overall aesthetic appeal of the pieces. BlueStone has high popularity despite low marketing spends, as it is in the top 4 amongst leading jewellery retailers in India in terms of lower marketing spends as of Financial year 2024⁵ and amongst the top 3 leading jewellery retailers in India in terms of number of Instagram followers as on 26 May 2025. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

Initially, demand for studded jewellery was confined to northern India, but it has since spread nationwide, driven by changing consumer preferences and broader acceptance. In response, many organised jewellery retailers are now strategically focusing on lightweight, varied jewellery SKUs to meet this demand. This alignment with consumer trends sets them up for continued success in the evolving jewellery market. A key growth driver is the younger demographic's preference for diamond and gemstone-studded jewellery over traditional, heavier gold pieces, which they associate with older generations. Studded jewellery, offering a variety of styles and price points, is becoming increasingly popular. Although diamond-studded jewellery does not hold the same traditional value as gold, clearer

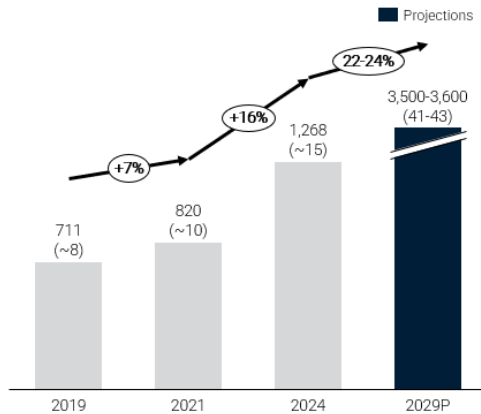
⁵ Retained for fiscal year 2024 as all company's data not released for fiscal year 2025

pricing and buy-back assurances from jewellers have made it a viable investment. The studded jewellery market is expected to grow at a CAGR of 22-24% by CY 2029P, marking it as a promising segment within the industry.

Exhibit 21

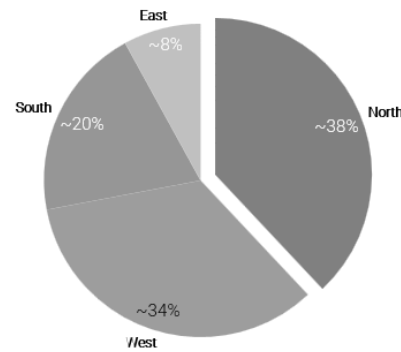
Studded Jewellery Market in India

INR Billion (USD Billion), CY 2019-2029P



Studded Jewellery Demand by Region

In %, CY 2024



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

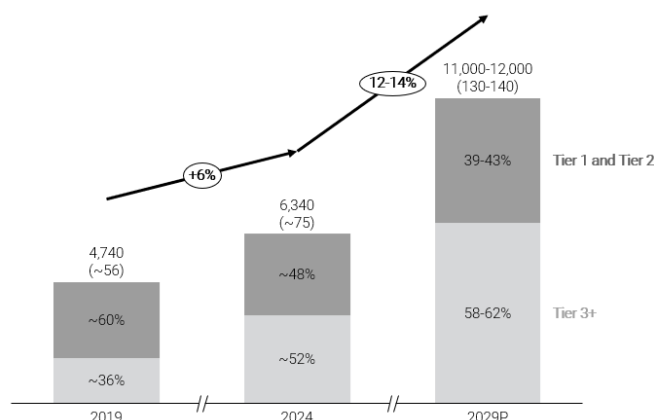
E. Segmentation by City Tier

Historically, Tier 1 and Tier 2 cities have been the primary focus of organised jewellery players, with their contribution being as high as ~60% in CY 2019. The population residing in these cities have high disposable income, which ensures a high average ticket size, which ultimately offsets the cost of acquisition. The market size of Tier 1 and Tier 2 cities has increased from ~INR 2,375 billion (~USD 28 billion) in CY 2021 to INR 3,043 billion (~USD 36 billion) in CY 2024, growing at a CAGR of ~9%. The market is projected to grow at a CAGR of 8-10%, valued at INR 4,500-4900 billion (USD 53-58 billion) between CY 2024 and CY 2029.

With the growing disposable income across Tier 3+ cities and reducing seasonality as people are increasingly buying jewellery for daily wear and other special occasions, the Tier 3+ segment has grown at a CAGR of 14%, and its contribution to the overall market has reached INR 3,297 billion (~USD 39 billion) from CY 2019 to CY 2024. This has pushed organised players to foray into this area and cater to this demand. The market is projected to grow at a CAGR of 14-16%, valued at INR 6,600-7,000 billion (USD 78-82 billion) between CY 2024 and CY 2029. The rise of daily wear and occasion-led jewellery is driven by social media's influence and increased online penetration. The adoption of an omnichannel presence is key, eliminating geographical barriers and enhancing customer experience. Tier 3+ cities now account for 30-40% of the demand for studded jewellery. By integrating online platforms with physical stores, organised retailers are extending their reach, offering seamless transitions between online browsing and in-store purchases, and building trust across a wider customer base.

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Exhibit 22
Indian Jewellery Market Split by City Tier
INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

The challenges in the traditional jewellery value chain have led to the rise of organised retailing

a. Challenges for Suppliers

- i. **Sourcing issues:** India has just three operational gold mines, i.e., Hutti, Uti and Hirabuddini. This creates a bottleneck in the supply of raw materials. Increasing customer focus on ethically sourcing jewellery with councils like the Responsible Jewellery Council is coming up to authenticate companies who follow such norms and limit the suppliers for sourcing. Ore quality has been a factor weighing down the gold supply for too long now as the quality has declined over time. Also, from a sourcing point of view, India faces a few challenges:
 - Limited availability of stones, creating a reliance on imports, further creating regulatory and increased price barriers.
 - Inconsistent quality standards with difficulty in identifying the quality of stones.
- ii. **Supply Chain issues:** There is a definite lack of technological intervention across the supply chain, creating gaps among various units in the value chain. India is hugely dependent on imports of gold and diamond jewellery. This makes the Indian jewellery market contingent to various global factors outside its control. The ongoing global conflict between Russia and Ukraine and trade wars put pressure on the supply chain, posing a threat to suppliers. Regional players find it difficult to transport their supply chain networks and structures to new regions and replicate the successes of old ones. This is because their expertise and relations exist primarily in their region, thus posing problems while moving across geographies.

b. Challenges for Designers and Manufacturers

- i. **Structural issues:** Gold jewellery manufacturing suffers from poor infrastructure, shortage of labour and informality. It is currently dominated by small manufacturers who do not have access to transport, vaulting and credit facilities. Given the fragmented nature of the Indian gems and jewellery industry and a relatively cheap workforce, there is limited investment in machinery and automation in jewellery manufacturing. The government is trying to overcome this with Jewellery parks, but they are limited in number. BlueStone has leadership in terms of in-house manufacturing, as it is the only among leading jewellery retailer in India with an in-house manufacturing set-up having more than 75% of the total jewellery produced in-house, as of Financial year ending 2025, leading to a higher control over the manufacturing process and faster time-to-market. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).
- ii. **Design issues:** Typically, in the jewellery industry, the lead time from developing to manufacturing new designs tends to be longer. Jewellers face challenges in design innovation due to limited design development centres and reliance on manual labour, i.e., *karigars* with a constant struggle to

maintain a skilled workforce. Regional players, though adept at catering to local tastes, struggle to expand due to limited knowledge of other territories and fewer design variations. Manufacturers, while tailoring production to market demand, face the risk of capital being tied up in outdated designs, as trends shift, leading to unsold inventory accumulation.

c. Challengers for Wholesalers/Retailers

- i. Regulatory issues:* Government regulations such as mandatory hallmarking and PAN cards have been introduced, primarily affecting unorganised retailers. Imported cut diamonds and gemstones attract a custom duty of 5%. Gold imports in India attract a customs duty of 6%. This increases the cost of gold jewellery in India. A further 3% GST means the government collects 9% in levies. This has increased the cost of gold jewellery in India. There is also a lack of sufficient infrastructure in the country to obtain the mandatory hallmarking of jewellery. This impedes the flow of jewellery into the market. Uncertainty is also generated in the consumers' minds as the jewellery is not hallmarked, creating trust issues.
- ii. Operational issues:* There are limited economies of scale as jewellery is sold unit-wise. Thus, there is also a limited scale of production. Retailers can only serve in their respective geographical areas. This makes it tough for them to build trust with new customers. The changing jewellery design preferences across regions further make it harder to scale presence and reach. Rural demand is dispersed, increasing customer acquisition costs for jewellery retailers. There is no technological intervention for retailers to connect with designers or consumers. This poses a challenge in obtaining modern designs, as well as in tapping into wider consumer base.

The jewellery sector is highly fragmented and disorganised, which poses a lot of challenges for regional players to expand their national presence.

- Lack of brand recognition and trust of consumers: The jewellery industry is still local, and national expansion requires significant marketing and customer relationship investments. Regional brands often face challenges in gaining recognition outside their established markets.
- Diverse consumer preferences: India's cultural diversity means that consumer preferences in jewellery can vary widely across regions, complicating product design, inventory, and marketing.
- Difficulty in setting up supply chain and logistics: A robust supply chain for national coverage is challenging due to India's geographical and infrastructural diversity.
- Regulatory compliance: Different states have varied business regulations, including taxation and hallmarking standards, which can be complex for brands used to regional norms.
- Competitive market: The Indian jewellery market exhibits a distinct dichotomy between established national brands and strong regional players. While there are handful of Pan India brands, the market is dominated by prominent regional player. However, this regional dominance often translates into challenges when these brands attempt national expansion. They often struggle to compete nationally in terms of pricing, variety, and innovation due to specific customer demand segments.
- Prohibitive capital & labour requirements: National expansion demands substantial capital for new stores, marketing, and infrastructure along with labour, which can be difficult for smaller or family-owned enterprises to secure.

d. Challenges for End Customers

- i. Transparency issues:* There is a lack of trust due to a limited transparency around pricing and quality, especially from unorganised players. Making charges by jewellers vary significantly and do not follow a fixed pattern. This leads to trust issues in consumers.
- ii. Availability issues:* There is a lack of design-led innovations and a gap in the adoption and development of modern designs, particularly in the large, fragmented sector – leading to high search costs.
- iii. Financial issues:* There is a lack of easy payment terms available in the industry. The lack of extension of credit facility prevents consumers from purchasing jewellery. There are high deductions while exchanging jewellery, affecting the long tradition carried out in the country for generations. With

monthly instalment schemes launched by modern players, reforms are being taken to tackle these challenges.

Regulatory hurdles inhibiting traditional jewellery in India

- **Mining hurdles (MMDR Act, 1957):** India's gold import dependence stems from complicated legislation put in place first in the 'Mines and Minerals (Development and Regulation) Act, 1957. While amendments in the Act have been carried out over the years, most recently in 2021, it remains difficult for miners to obtain the relevant permits and commence extraction work.
- **FDI Norms (1991):** The Government of India allows 100% foreign direct investment in the Jewellery sector under the automatic route. Under the Automatic Route, the foreign investor or the Indian company does not require investment approval from the Reserve Bank of India or the Government of India. This eases the whole investment process for the industry.
- **Mandatory PAN (2016):** The government has mandated PAN cards on transactions above INR 2 Lakhs. This makes it difficult for unorganised players to cater to cash buyers.
- **Demonetization (2016):** The Indian government's decision to ban the higher denomination notes overnight caused hiccups in the sector. Eventually, the adoption of cashless transactions across the economy has brought transparency and driven customers away from the unorganised sector.
- **Tax woes (2017):** The inclusion of 3% GST on gold jewellery means the government collects 9% in levies after accounting for the 6% gold customs duty. This eventually increases the cost of the jewellery.
- **Mandatory Hallmarking (2021):** The Indian government recently introduced a mandatory hallmarking requirement for gold Jewellery, benefitting modern jewellery retailers as they are better positioned to comply with these new regulations. The lack of sufficient hallmarking infrastructure is hurting the industry as well.

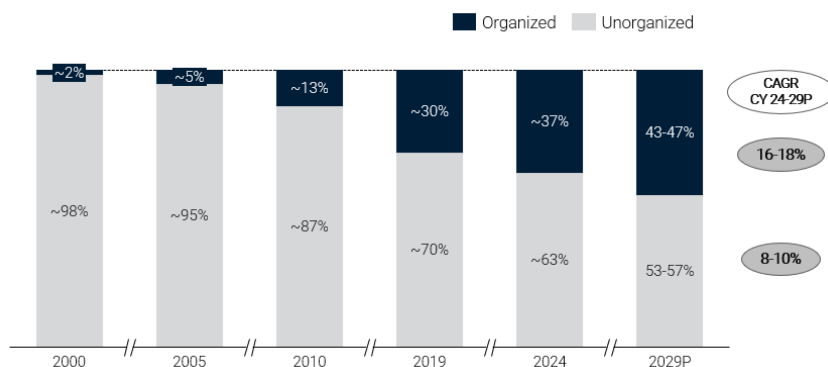
The above factors have created a strong use-case for organised jewellery retailing in India

Organised retail drove ~37% of the Indian jewellery market in CY 2024. The share of organised segments in India is much lower than in global economies like China & USA, where the organised segment holds most of their respective markets. Following the trend in developed markets, the share of organised retail in India has rapidly increased in the past two decades, increasing from a meagre ~2% in CY 2000 to ~37% in CY 2024. Nine out of ten top organised jewellery players have grown at 20%+ CAGR between Fiscal Year 2021-2024. From being dominated by challenge-stricken traditional jewellers, the market is witnessing a shift after the emergence of organised retail in the form of key industry leaders providing sophisticated retail experiences across the country. Going forward, the organised segment's contribution is projected to grow to 43-47% of the overall jewellery market, growing at a CAGR of 16-18% till CY 2029.

Exhibit 23

Indian Jewellery Market Split by Organised and Unorganised Segments

%, CY 2000-29P



Source(s): Redseer Research & Analysis

Organised retailers, with their customer-centricity, are more trusted by consumers, provide a superior customer experience using the omnichannel approach, and enable affordability constructs for them.

- Higher trust amongst migrating urban consumers and expansion in Tier 3+ markets

According to the Periodic Labour Force Survey (PLFS), India's migration rate reached 28.9% in 2020-21 as consumers migrated to urban areas, including Tier 3+ markets. This impacted traditional jewellers who relied on longstanding customer relationships. The organised jewellery sector has been benefiting from this demographic shift, by building trust and loyalty through transparent practices like Gold Deposit Schemes, Old Gold Exchanges, clear pricing, and certifications, which resonate with consumers seeking credible and reliable retailers.

B. Enhanced customer experience

In recent years, consumers have shifted their focus to brand value and shopping experience, with organised retailers leveraging multiple marketing campaigns, omnichannel presence, and a wide variety of services like transparent pricing, product customisation, and after-sales support, resulting in increased shopper engagement. Accurate mapping of merchandise is crucial in an omnichannel approach, as it ensures consistent pricing across channels, enhances customer trust, and improves operational efficiency by avoiding discrepancies in product attributes like weight.

Organised players have integrated new technologies, leading to better consumer knowledge and integration, which includes -

1. *Artificial Intelligence* - AI has revolutionised design and merchandising, offering scalability and precision in adapting to evolving consumer preferences, through sophisticated algorithms and data analysis.
2. *Mar-tech (Marketing Technology)* – Mar-tech tools are essential for effective marketing strategies. These tools allow players to engage with customers more personally and efficiently, leveraging data to target potential buyers more accurately. It also allows businesses to understand the micro segmentation for personalised engagement with their customers, leading to higher RoAS (Return on Ad spend), reaching more customers.

In terms of technology- As on 26th May 2025, BlueStone provides tech features that are best-in-class amongst the leading jewellery retailers in India. BlueStone is one of the few leading jewellery retailers in India to have an in-house integrated tech stack that enables an omni-channel experience. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

C. Affordability constructs through favourable schemes

Organised retailers are introducing innovative schemes, like monthly gold saving plans, to make valuable jewellery more accessible by allowing customers to deposit money over 11 months, with the jeweller paying one month's equivalent as discount. These instalment plans have significantly boosted purchases, particularly in non-wedding-led segments, by enabling customers to gradually save for coveted pieces.

D. Attracting and retaining customers through branded offerings

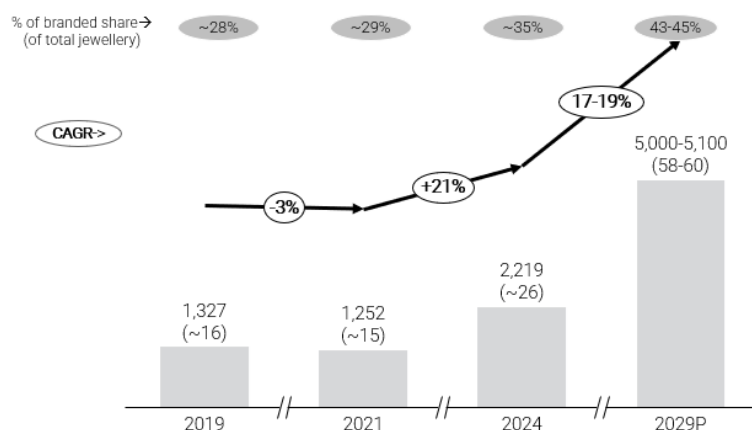
Organised retailers offer branded jewellery that appeals to shoppers by providing a superior value proposition with trendy, economically priced designs for daily wear and traditional styles. Trust in branded jewellery is strengthened by robust marketing, advanced technology, and the promise of quality and safety, meeting the growing demand in the market.

D.1 Robust growth of organised retail has significantly enhanced the appeal of jewellery brands

The growing popularity of branded jewellery signifies a maturing market. Customers are focusing not only on the intrinsic value of gemstones and metal but also on the trust, quality, and design associated with an established brand. Therefore, the branded jewellery market in India grew from INR 1,327 billion (~USD 16 billion) in CY 2019 to INR 2,219 billion (~USD 26 billion) in CY 2024. Between CY 2021 and CY 2024, the branded market grew at ~21% CAGR, recovering from the impact of COVID-19, with the segment's contribution growing to ~35% of the overall jewellery market. With increasing consumer awareness & shifting preferences, consumers are now more inclined towards branded jewellery, which offers them better designs, higher quality, and transparency in pricing. The market is projected to grow further to INR 5,000-5,100 billion (USD 58-60 billion) in CY 2029, occupying a share of 43-45% of the overall market.

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Exhibit 24
Branded Jewellery Market in India
INR Billion (USD Billion), CY 2019-29P



Note(s): 1. It is to be noted that Organised is not the same as branded; mid-size organised players sell non-branded jewellery with higher margin propositions, and few unorganised players sell their jewellery under brand names as well; 2. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

D.2 Curated offerings and designs are enabling the branded players to gain traction

While most consumers still prefer unbranded jewellery due to long-standing relationships with local jewellers, branded jewellery has gained traction amongst the younger generation (GenZ & Millennials), especially in Tier 1 & Tier 2 cities. With better & assured quality products and newer designs, branded players typically have a higher price point. Hence, its dominant group is characterised by a higher income than unbranded players.

Exhibit 25
Comparison of Branded and Unbranded Jewellery Segments
CY 2024, Descriptive

Parameters	Branded	Unbranded
Consumer Split (%)¹ (Coverage of shoppers)	30-40%	60-70%
Target Group	Quality seekers, Affluent shoppers	Budget conscious, Occasional jewellery wearers
Use Case	Self-Expression (Marriage, Daily Wear, Fashion)	Cultural Significance (Marriage, festival)
Dominant Age group (Yrs)	25-40	>40
Dominant Household Income Group (INR)	>1.2 million	0.6-1.2 million
Dominant Market	Tier 1/Tier 2, Tier 3+	Tier 3+
Average Ticket Size (INR)	0.1-0.13 million	0.03-0.05 million

Note(s): 1. It is to be noted that Organised is not the same as branded; mid-size organised players sell non-branded jewellery with higher margin propositions, and few unorganised players sell their jewellery under brand names.

Source(s): Redseer Research & Analysis

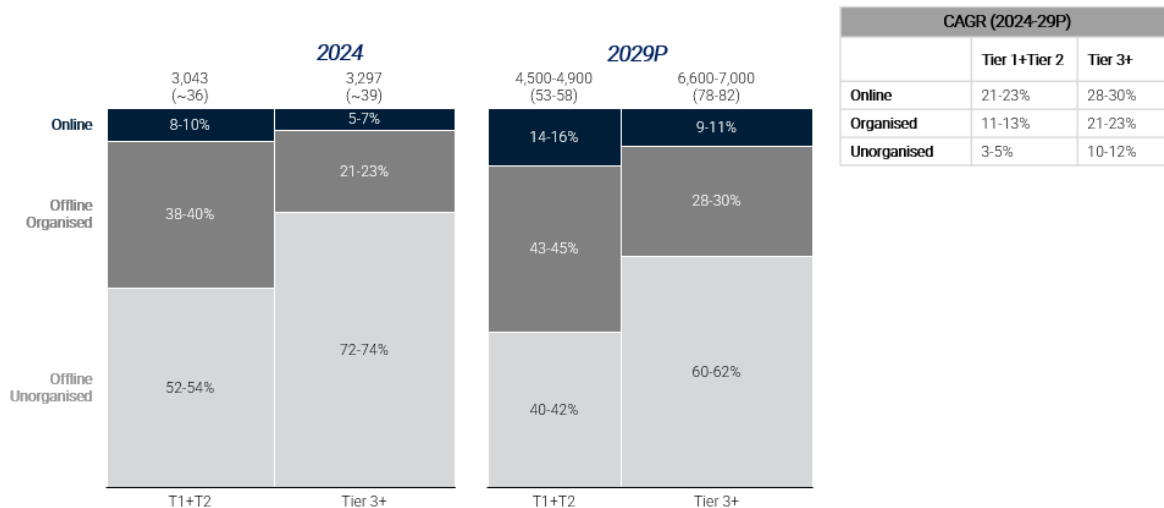
The purchase journey of customers is evolving, leading to the adoption of online channels

The jewellery market, which is heavily led by offline channels (unorganised + organised brick-and-mortar), is seeing the adoption of online. The unorganised channel currently drives ~63% of the Indian jewellery market, and a prominent portion is in Tier 3+ cities. The tier 3+ market is seeing a shift in consumer preferences, leaning towards branded players. The need for trust and after-sales support is the crucial factor driving the high-ticket size sector. This highlights the increasing importance of brand recognition and trust in these regions. Providing value with trust is a crucial factor for effectively penetrating these markets.

Based on factors leading to the growth, the share of organised players (including online) is projected to increase rapidly by CY 2029, driven by increasing penetration of organised retail players in Tier 3+ cities. The share of organised players is expected to grow to 43-47% by CY 2029. While online channels account for 6-8% of the total jewellery market in CY 2024, it is projected to grow to 11-13% by CY 2029, riding on increasing penetration & prominent digital adoption across city tiers.

Exhibit 26

Indian Jewellery Market - split by city tiers and channels
INR Billion (USD Billion), CY 2024-2029P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

Online channels offer easy-to-discover features with personalisation that fuel better decision-making

Online channels facilitate easier decision-making for customers and broaden their options by providing extensive information and comparative insights before making a substantial investment. Two major factors driving sales of online channels are-

i. Discovery

Online platforms provide 360-degree high-definition images and videos, as well as try at home, which helps consumers understand the quality of the products. Additional features like buy-back options, virtual try-ons, and augmented reality tools enable customers to visualise how the jewellery would look on them before making a purchase, enhancing their decision-making process.

ii. Personalisation

Personalised recommendations based on previous searches and design preferences streamline decision-making by presenting tailored options, reducing decision fatigue, and increasing engagement and conversions. By understanding individual preferences, online platforms can enhance the user experience and introduce consumers to new products.

Online channels have led to a habit creation amongst consumers, wherein they search and discover products online and convert them into a purchase (either in the online mode itself or through the offline mode).

This online research often precedes visiting a physical store, creating a fluid, multifaceted experience and increasing the share of online-influenced purchases. Customers seamlessly transition between online and offline touchpoints, potentially researching a product online before trying it in-store or meticulously comparing prices across websites before committing to a purchase.

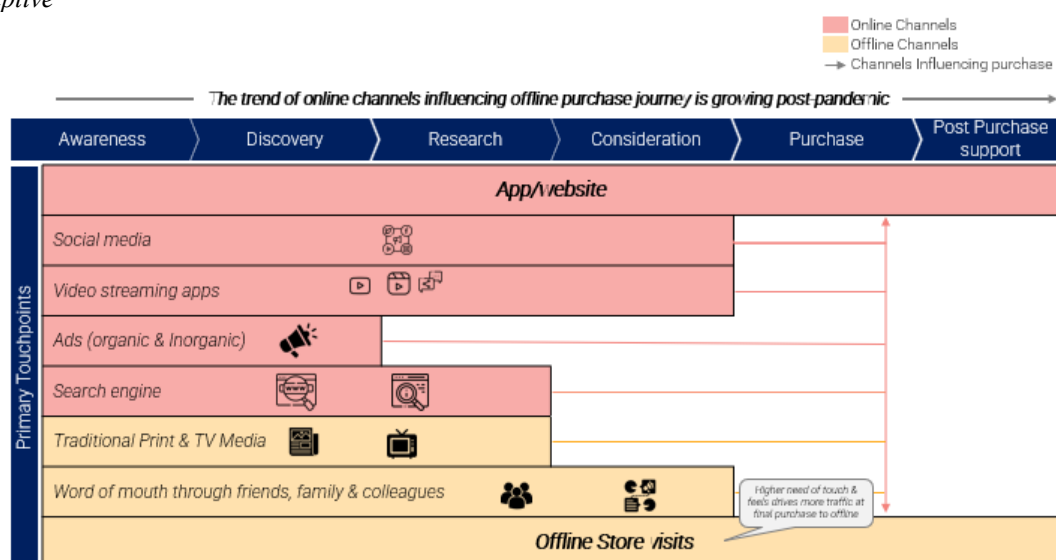
However, the defining characteristic of the modern customer lies not just in their digital fluency but in a fundamental shift in preferences and mindset. This "new normal" shopper craves constant design innovation. Today's customers no longer settle for a limited selection; instead, they actively seek out unique, trendy, and diverse designs that express their individuality.

According to Redseer analysis, the digital landscape in India is experiencing rapid growth in online searches, with 24 billion searches conducted annually in CY 2023, across various retail categories to learn more about a product before purchases. This shift towards online platforms for product research presents significant opportunities for the jewellery retail sector. Omnichannel shopping is proving lucrative, with omnichannel shoppers spending 2.5 times more than single-channel counterparts, emphasising the importance of seamless integration between online and offline channels. Consumer behaviour favours online validation before purchase, with an increasing number of consumers confirming stock availability online before buying in-store, highlighting the critical role of digital platforms. Brands must ensure accurate online inventory information to drive online and offline conversions. The trend of large companies⁶ significantly ramping up their digital advertising expenditures post-COVID-19 highlights the increasing online affinity of brands. Banking on this, as per Redseer estimates, the digital ad spend of large Indian companies⁵ is projected to grow at a CAGR of 19-20% from CY 2023 to 2028, rising from around ~INR 403.5 billion (USD 5 billion) to ~INR 960 billion (USD 12 billion)

Exhibit 27

Customer touchpoints in a jewellery purchase journey

Descriptive



Source(s): Redseer Research & Analysis

This has created an opportunity for Indian Online & Online Influenced Jewellery to grow faster than other channels

As online penetration grew across various retail categories, the Indian online and online-influenced jewellery market witnessed a staggering growth of ~70% between CY 2021 and CY 2024 to reach a size of INR 444 billion (~USD 5 billion) in CY 2024, with its contribution to the overall jewellery market being at 6-8%. This was fuelled by the impact of COVID-19, which accelerated digital transformation and adoption across various sectors, including jewellery. Consumers, restricted from traditional shopping avenues during lockdowns, turned to online platforms for safety and convenience, expanding the digital footprint of the jewellery market.

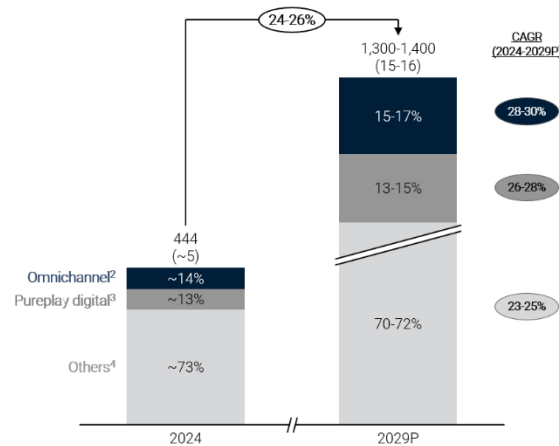
The market is projected to grow at a CAGR of 24-26% to reach INR 1,300-1,400 billion (USD 15-16 billion) by CY 2029.

⁶ Large Companies refers to enterprises with turnover higher than INR 2500 million

Exhibit 28

India Online & Online - Influenced Jewellery Market - Market Size

INR Billion (USD Billion), CY 2024-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85; 2. Omnichannel includes both online and offline sales of omnichannel players; 3. Pureplay/ digital are players that operate via their online storefronts only, 4. Others include offline sales of multichannel players

Source(s): Redseer Research & Analysis

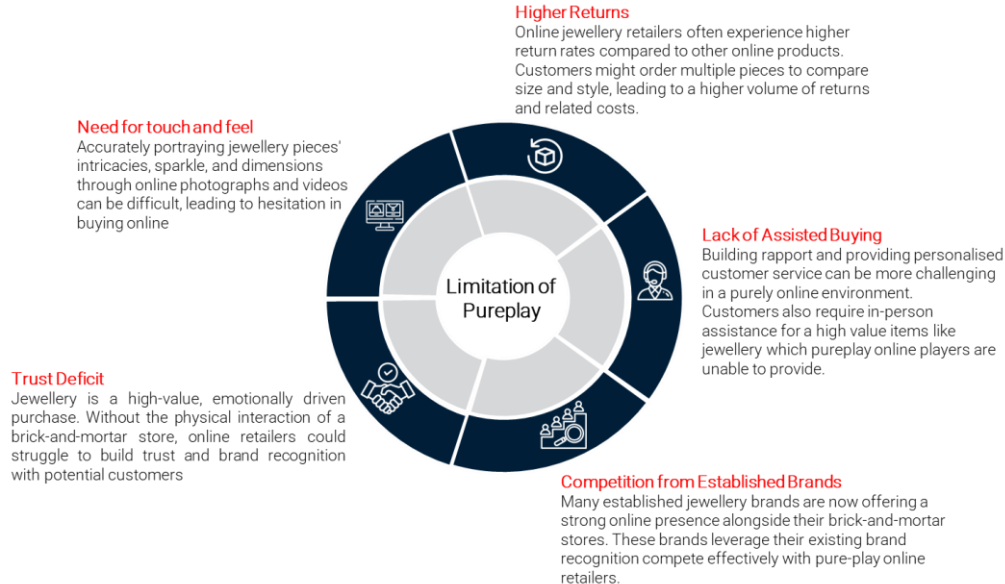
The pureplay digital jewellery business could have certain limitations

While convenience and affordability initially fuelled the success of pureplay digital jewellery brands, a purely digital presence could have certain limitations –

Exhibit 29

Limitations of Pureplay Digital Jewellery Business

Descriptive



Source(s): Redseer Research & Analysis

This has led to a need for an omnichannel approach by industry players leveraging the interconnected journey of customers

The need for an omnichannel experience marks a transformative shift from traditional retail models, integrating online and offline channels to enhance the customer journey. This approach delivers a unified shopping experience, overcoming the limitations of isolated multi-channel or purely online models by providing consistent brand interactions across all platforms. While multichannel retailing offers several touchpoints, it often suffers from a lack of integration, leading to disjointed customer experiences with inconsistencies in product information,

pricing, and service. In contrast, omnichannel retailing harmonises data, processes, and strategies across all channels, ensuring a seamless and personalised customer experience that fosters greater satisfaction and loyalty.

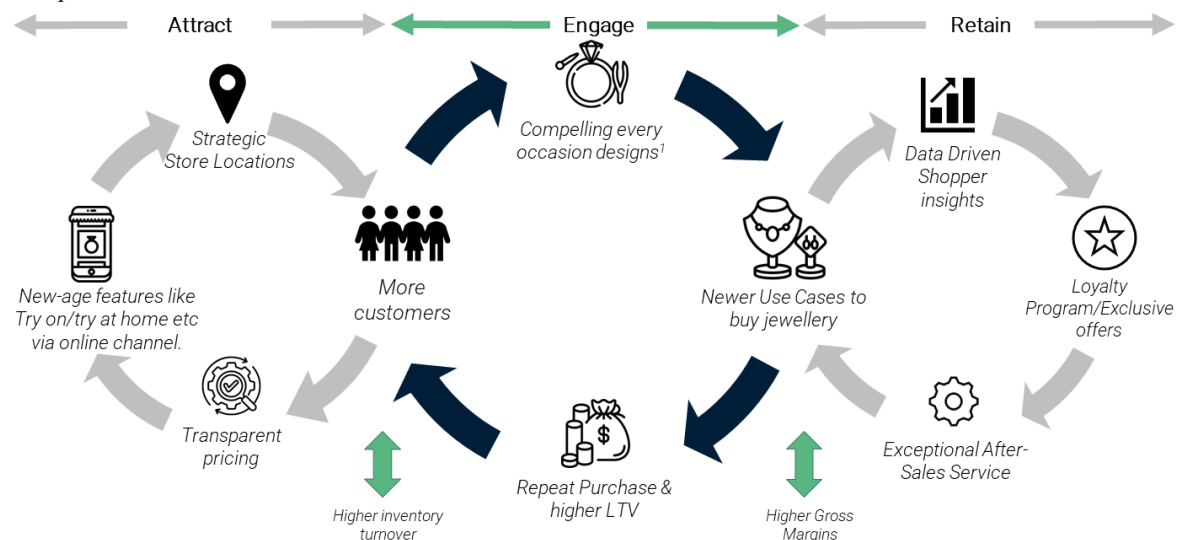
Among the top 15-20 players in the market, only a small fraction, around 25%, have established a Pan-India presence, while the majority maintain regional dominance. Among these Pan-India leaders, only a few players have successfully developed a true omni-channel presence, showcasing the challenges and opportunities for expanding and integrating the operational chain in the jewellery segment. BlueStone is amongst the few jewellery retailers in India to have successfully developed a true-omnichannel presence.

The omnichannel approach creates a flywheel effect for omnichannel players - a strong moat

This synergy between online and offline channels creates a strong competitive barrier and accelerates adoption among various consumer groups. The flywheel has 3 stages. In the 'attract' stage of the flywheel, established players use online brand recognition to develop an interest in their physical stores through engaging tools and transparent features & price listing. The 'engage' stage provides a seamless omnichannel shopping experience where customers can browse the wider collection after browsing online or opting for in-store pickup or home delivery and engage for a long-lasting relationship by adding daily or other occasion-led jewellery to their purchase list. Finally, in the 'retain' stage, loyalty programs and superior after-sales services like repairs and easy returns increase customer loyalty. Effective use of customer relationship management tools to analyse data from online and offline interactions helps tailor marketing strategies and solidify customer relationships.

The continuous cycle of brand awareness, engagement, and loyalty-driven insights strengthens the brand's moat, making it increasingly difficult for competitors to replicate. The flywheel helps omnichannel players to boost financial performance by optimising inventory turnover through data-driven insights, reducing holding costs and stockouts, and improving gross margins via enhanced customer engagement, personalised experiences, and efficient supply chain management.

Exhibit 30
Flywheel for omnichannel players
Descriptive



Note(s): 1. Variety of designs available in daily and other occasion-led jewellery

Source(s): Redseer Research & Analysis

Omnichannel presence offers advantages that surpass those of other methods for both customers and retailers

For customers, it provides a seamless journey from click to store via offering -

- i. **Efficient last-mile delivery:** Integrating online ordering with fulfilment from the nearest store streamlines last-mile delivery, significantly reducing delivery time and costs.
- ii. **Increased purchase:** Physical stores complement online browsing by allowing customers to see, touch, and feel products before purchasing, often leading to higher conversion rates and larger transactions.

- iii. *Endless aisle of Products*: Online platforms overcome the physical limitations of brick-and-mortar stores by offering an extensive catalogue of products that customers can easily explore, ensuring a broader selection is just a click away.
- iv. *Democratised access*: The digital medium is boundless and can be scaled without geographic limitations. Thus, omnichannel is a far wider-reaching model than a capital-intensive offline one.
- v. *Personalisation using analytics*: Consumer behaviour can be monitored and studied intensively in the online channel. This allows for personalisation and focused marketing through data-generated insights.
- vi. *Aftersales service*: An offline store is imperative for the timely resolution of consumer grievances. Provisions such as the exchange of old jewellery are much more convenient offline as well.

Exhibit 31. A
Comparison of Business Models - Key Metrics

Descriptive



Note(s):

- Brand reliability*: The ability of a customer to recognise, identify, and trust a brand. Traditional establishments have the high brand reliability due to their long-term familial connections and touch & feel factors and omnichannel players due to integrated multitouch point presence.
- Serviceability*: The ability to serve the maximum number of customers through multiple channels. Omnichannel approaches outperform due to their ability to have maximum touchpoints
- Ease of online discoverability*- Includes features like pictures from multiple angles, size visualisation option, 3-D rendered images, Video capturing 36 ° view, ease of navigation and try-at-home features



4. *Design variety: Pureplay Digital in India currently has limited designs listed on their platform vs Omnichannel players*
5. *Transparency in pricing: A clear breakdown of material costs, making charges, GST, gold rate, wastage fees and any other relevant charges*
6. *Ease of selection: The ability of a customer to effortlessly find what they are looking for*
7. *Product Information Availability: Easy access to details on products (metal type and details, weight, purity, rate, and jewellery care)*
8. *Fulfilment Timelines: The ability to efficiently deliver products to the final customer; very few pureplay digital players have an option for faster fulfilment options to specific locations*
9. *Schemes and Policies: Omnichannel retailers offer attractive schemes like monthly plans, old gold exchange schemes and festive deals, while offline retailers provide EMI options, chit-fund programs, no-wastage initiatives, and other unique schemes.*
10. *After-Sales Support: After-sales support includes post-purchase services like repairs, flexible return policies and warranties; omnichannel provides a seamless customer experience across multiple channels, which ensures strong sales support. Traditional stores also have high after-sales support but are subject to the discretion of specific outlets at times*
11. *Customization Options: Traditional and omnichannel jewellery retailers offer custom design options to create a unique personalised jewellery, catering to diverse preferences*
12. *Additional Support Factors: Omnichannel players offer video conferencing, try-on features, and try-at-home options, ensuring a seamless and interactive customer experience*
13. *Conversion Rate: The conversion rate of a jewellery store refers to the percentage of visitors to the store who make a purchase*
14. *Repeat Rate: The repeat rate of a jewellery store refers to the percentage of customers who make multiple purchases or return to the store for additional purchases over a specified period*
15. *Customer Data Engagement: Omni-channel players utilise integrated data from multiple channels to understand customer behaviour and preferences, enabling personalised offerings and improved service*
















Source(s): Redseer Research & Analysis

Exhibit 31. B

Comparison of Advanced Online Rendering using multiple tools- Key Metrics

Descriptive

Legend:
 → 
 High Low

	BlueStone	Pureplay Online	Organized Retail
Pictures from multiple angles			
Size visualization option			
Video to capture 360 view			
Ease of navigation/visualizing details			
Try at home/Option for Video Conferencing			

Source(s): Redseer Research & Analysis

Leveraging the omnichannel experience BlueStone offers- BlueStone is one of the pioneers, amongst the leading jewellery retailers in India, to introduce 3D rendering technology of products, revolutionising the online product listing, as it gives a better view of the products, with the ability to view detailed images from multiple angles, especially needed in jewellery products. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer). Also, BlueStone is

amongst the top 3 leading jewellery retailers in India in terms of customer repeat rate⁷ as of Financial year 2025. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

For retailers, it helps in increasing sales with expanded market reach and operational efficiency -

- i. *Increased Sales Opportunities:* Physical stores enable customers to physically inspect and try on jewellery seen online, which can significantly increase the likelihood of purchases. This tangible experience often translates into higher conversion rates and increased customer lifetime value.
- ii. *Expanded Market Reach:* Digital channels allow retailers to overcome geographical limitations and reach a wider audience nationally and internationally. This accessibility increases the potential customer base beyond local shoppers, helping retailers widen their reach.
- iii. *Enhanced Customer Insights and Personalization:* Online interactions provide valuable data on consumer behaviour, preferences, and trends, which can be used for targeted marketing and personalised customer experiences. These insights help craft offers that are more likely to convert, enhancing overall sales effectiveness. The ability to reach out to customers one-on-one through performance marketing at marginal costs compared with large campaign-based spends has led to better targeting, reduced upfront spends and improved measurability on return on investment.
- iv. *Better Inventory Management:* Utilizing an omnichannel approach allows retailers to manage their inventory more effectively. They can track product movements and demand patterns across channels in real time, helping to optimise stock levels and reduce inventory costs.
- v. *Increased Operational Efficiency:* Retailers can achieve greater operational efficiency by integrating and automating various parts of the sales and supply chain processes through an omnichannel approach. This includes enhanced order management, streamlined logistics, and improved coordination between online and offline sales channels.

Adopting true omnichannel is difficult for jewellery players as it presents unique difficulties compared to other sectors as

- Jewellery items vary significantly, requiring intricate management of diverse SKUs, each with unique attributes, posing a considerable challenge in representation and pricing consistency across channels.
- Providing consistent, personalised service across various channels demands sophisticated technology and highly trained staff, further complicating integration efforts. Moreover, ensuring authenticity across channels, particularly online platforms, is crucial due to the high-value and often-targeted nature of jewellery, requiring robust authentication measures and continuous monitoring.
- Coordinating inventory management, production, and delivery across different channels adds another layer of complexity, given the involvement of multiple stakeholders in the jewellery supply chain. BlueStone has one of the highest Gross Margin Return on Investment (GMROI)⁸ amongst the leading jewellery retailers in India, as of financial year 2024⁹, showcasing efficient inventory management. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

Building true omni-channel experience (defined as seamless online and in-store retail experience enabled by mobile POS, app integration and faster delivery timelines with a unified view of inventory in both online and

⁷ Customer Repeat Rate is defined as the revenue generated by sales to repeat customers, i.e., customers who place an order more than once.

⁸GMROI has been calculated as $\text{Gross margins} \times \text{Average Inventory Turns}$ and Average Inventory Turns has been calculated as $\text{Operating Revenue} / \text{Average Inventory}$.

⁹ Retained for fiscal year 2024 as all company's data not released for fiscal year 2025.

offline presence) in the jewellery sector is difficult when compared to other retail sectors with a moderate internet penetration in India (defined as categories with an internet penetration in the range of 5-22% of total retail sales as of FY25); BlueStone is amongst the few leading jewellery retailers in India to have developed it. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer). Successfully addressing these challenges requires a comprehensive approach that combines technological innovation, data analytics, and personalised customer engagement strategies while prioritising customer trust, satisfaction, and experience.

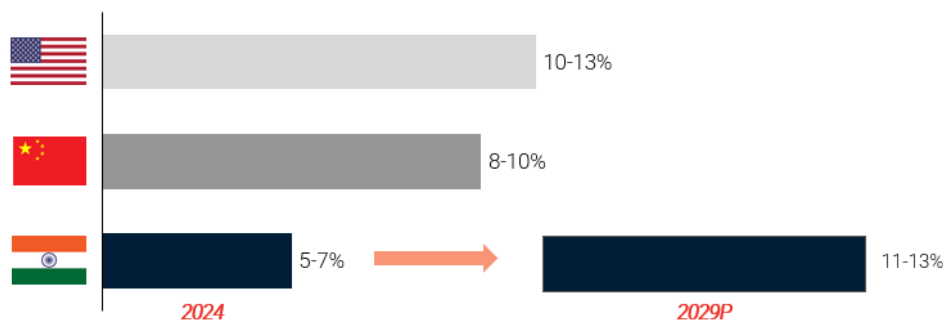
Thus, while the online penetration of jewellery in India lags behind global standards, it is poised for growth on the back of omnichannel strategies adopted by key players

India lags its global contemporaries, China and the US, in the penetration of the online jewellery market. This stems from lower internet penetration in the country. India's online jewellery market penetration currently stands at 5-7% in CY 2024, while those of China and the US are 8-10% and 10-13%, respectively. Compared to these benchmarks, India's online jewellery market demonstrates a large headroom for growth, which will be disrupted by higher trust among consumers and the increasing omnichannel presence of digital-first players.

Exhibit 32

Online Penetration Jewellery Market - Global Benchmarking

% of jewellery market, CY 2024



Source(s): Redseer Research & Analysis






Based on their digital maturity, jewellery shoppers can be segmented into 3 cohorts

Shoppers can be broadly classified into three cohorts: *early adopters*, *fence-sitters*, and *traditional buyers*. The three cohorts react differently to the omnichannel approach and have varied paths of adoption –

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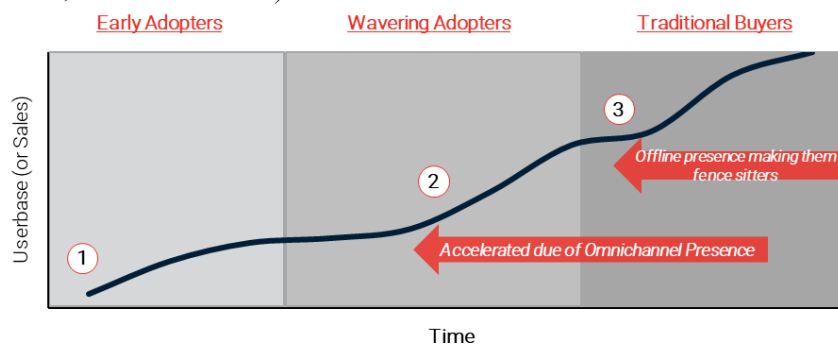
Exhibit 33. A
Jewellery Shopper Cohorts in India
Descriptive

Online Social Media Store

Key Metrics	Early Adopters	Wavering Adopters	Traditional Buyers
Description	Consumers who are digitally mature and have the least inhibitions for online channels	Consumers do not have a strong resistance to the online channel but do not have an affinity to it either	Consumers who prefer the offline channel for both the selection and purchase of the final product
Age	18-45 years GenZ and Millennials	25-50 years Millennials and GenX	35-60 years GenX and Baby Boomers
City Tier	Mostly Metro / Tier 1	Mostly Tier 1 and Tier 2+	Mostly Tier 2+
Channel Preference	 	 	
Top Factors Influencing Purchase	<ul style="list-style-type: none"> • Unique designs • Innovative Tech (3D Rendering, Try at home) • Social media influence 	<ul style="list-style-type: none"> • Reasonable Pricing • High-Quality offerings • Known brands 	<ul style="list-style-type: none"> • Reasonable Pricing • Familial Relationship • Trusted Brand
Customer Characteristic	Experiential Shopper	Cautious Shopper	Risk-Averse Shopper

Source(s): Redseer Research & Analysis

Exhibit 33. B
S-Curve of Omnichannel Players' Purchase Adoption
(X-Axis - Time Frame, Y-Axis - User base)



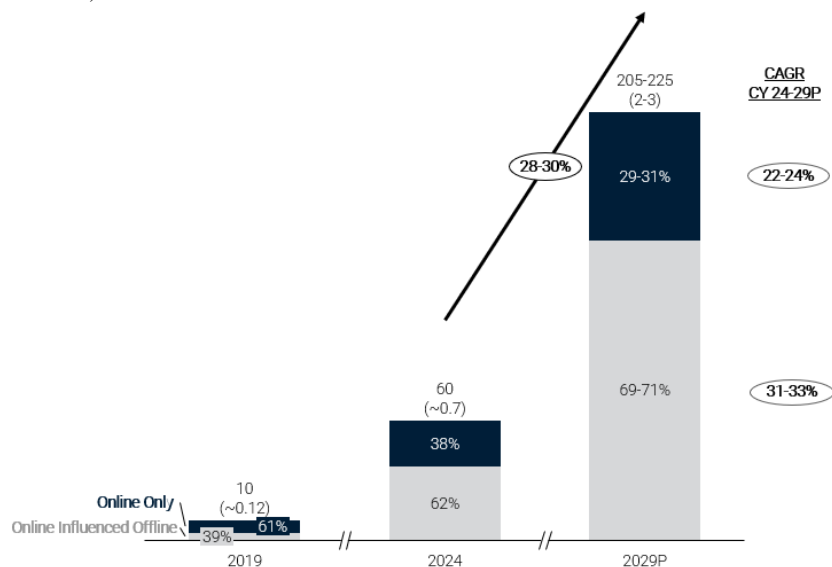
Source(s): Redseer Research & Analysis

The Omnichannel jewellery market is poised for rapid growth over the next five years, driven by various success factors

Offline stores act as an additional step in the checkout process for omnichannel brands, helping bridge the gap for consumers who prefer tactile experiences before purchasing. While online shopping initially lacks this touch-and-feel aspect, customer familiarity with a brand can shift shopping behaviours towards more online purchases due to trust in the brand's quality. This trend is particularly pronounced in India, where consumers often research online but prefer buying offline, especially in high-value sectors like jewellery. Consequently, establishing offline stores or experience centres significantly boosts sales for omnichannel brands by enhancing in-store and after-sales service. The online-influenced offline market within omnichannel has grown in contribution from ~39% in CY 2019 to ~62% in CY 2024.

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Exhibit 34
Omnichannel Jewellery Market
INR Billion (USD Billion), CY 2019-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

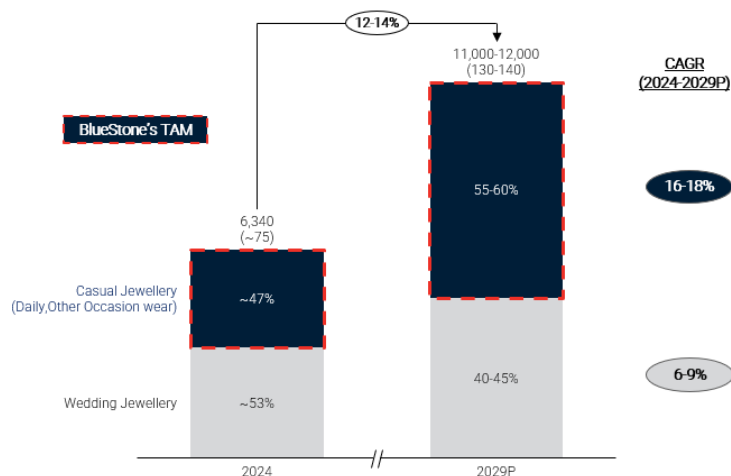
The key success factors that will lead to the growth of omnichannel jewellery players are-

- Digital demand generation:** With ever-evolving consumer habits and rapid internet adoption, the need to employ and update digital demand generation techniques (e.g. search engine optimisation) has increased greatly. Industry players understand the need to supplement their online presence with tools and techniques to truly leverage their omnichannel model.
- Understanding Evolving Consumer Preferences:** Indian consumers are increasingly comfortable with online shopping. However, jewellery, especially for special occasions or as an investment, often holds sentimental value and a preference for physical verification. Omnichannel models bridge this gap by offering a wider selection online with the option to see and try on pieces in-store.
- Building Trust and Transparency in the Online Jewellery Market:** Detailed product descriptions, high-quality images, videos with certifications for precious metals and stones, transparent return policies, and try-at-home options without charge or obligation to buy all contribute to building trust with online shoppers. These measures alleviate concerns about product authenticity and quality, encouraging online purchases.
- The Power of Physical Experiences:** Offline stores of omnichannel players go beyond product displays, offering engaging in-store experiences like workshops on jewellery care and personalised engraving services. This creates a deeper connection with the brand and fosters a memorable customer journey.
- Emphasis on After-Sales Service:** Excellent after-sales service offered by omnichannel players, including hassle-free returns, repairs, and cleaning services for the jewellery, builds customer confidence and encourages repeat business.

These success factors open a potential total addressable market of approximately \$74-81 billion for BlueStone by 2029

BlueStone has a total addressable market ("TAM") of INR 2,980 billion (~USD 35 billion) in CY 2024, which is projected to grow to INR 6,300-6,900 billion (USD 74-81 billion) at a CAGR of 16-18% by CY 2029. BlueStone offers jewellery in the casual wear segment, which includes daily wear and other occasion-wear jewellery items. As the non-wedding segment is expected to grow at ~2x pace of the wedding segment, BlueStone has an opportunity to address this demand.

Exhibit 35
BlueStone's Total Addressable Market in Indian Jewellery
INR Billion (USD Billion), CY 2024-29P



Note(s): 1. Conversion Rate: 1 USD = INR 85

Source(s): Redseer Research & Analysis

The casual jewellery (non-wedding wear) market which comprises of Daily and Other occasion-led segment currently stands at ~2,980 INR Billion (~USD 35 billion) as of CY 2024. Players operating in the casual segment can be majorly categorised into four cohorts: Omnichannel, Multichannel, Pureplay Digital & Traditional

- **Omnichannel players:** Players with integrated online and offline channels. Offline stores/experience centres boost sales by leveraging online-influenced demand. The omnichannel market currently accounts for ~2% of the casual jewellery market, as it is difficult to set up a true omnichannel presence in the jewellery space. Omni-channel players have the ability to tap into the TAM of multi-channel and traditional players as they transcend channels. BlueStone emerges as one of the most prominent players operating under an omnichannel model, capturing 28-32% of the segment in CY 2024. It is the second largest digital-first omnichannel jewellery brand in India in terms of revenues in Fiscal 2024¹⁰.
- **Multichannel players:** They operate across multiple sales channels, including physical stores, online platforms, and mobile apps, offering customers flexibility and convenience. However, the channels are not unified.
- **Pureplay digital players:** Operate via their online storefronts only, catering to the rising digital casual wear demand for studded & non-gold, daily wear & fashion segments.
- **Traditional players:** Traditional offline brands with a prominent offline presence catering to local demand for daily and other occasional led wear with no online presence.

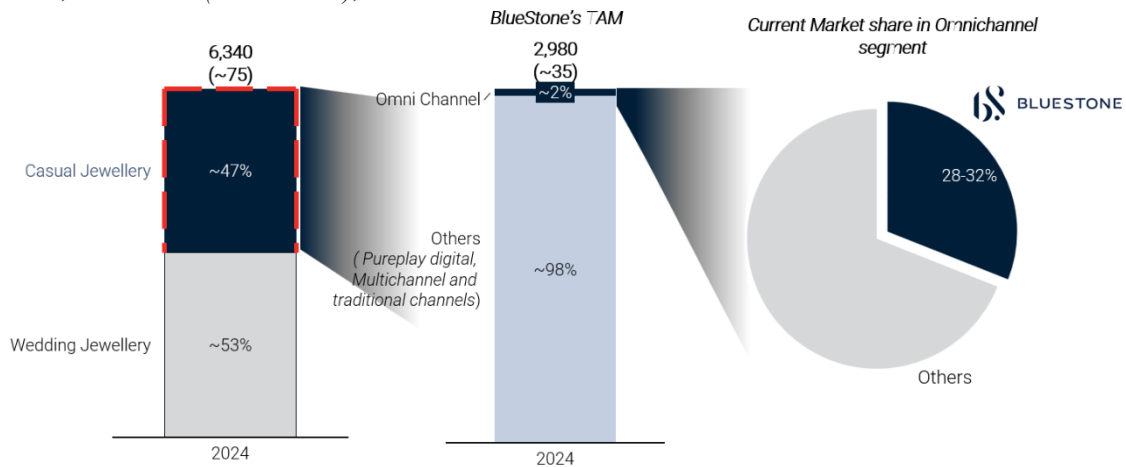
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¹⁰ Retained for fiscal year 2024 as all company's data not released for fiscal year 2025.

Exhibit 36. A

Market Share of BlueStone in the Omnichannel jewellery market

% share, INR Billion (USD Billion), CY2024

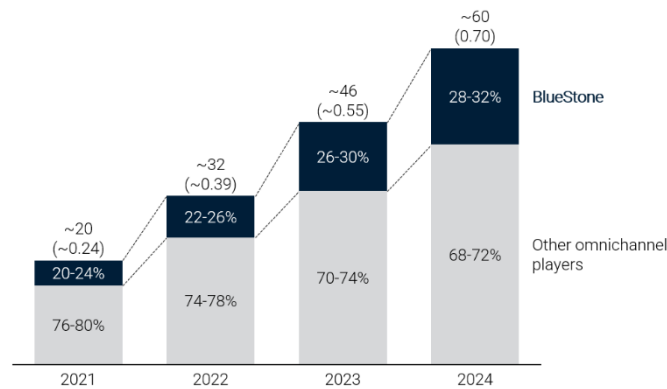


Note(s): 1. Conversion Rate: 1 USD = INR 85; 2. The casual segment includes daily and other occasion-led wear segment

Source(s): Redseer Research & Analysis

Exhibit 36. Market Share of BlueStone- Time series

% share, INR Billion (USD Billion), CY2021-24



Note(s): 1. Conversion Rate: 1 USD = INR 85


Source(s): Redseer Research & Analysis

Among business models, the omnichannel model is best positioned to win the opportunity due to operational efficiency with geographical reach

In response to the growing demand for seamless shopping experiences, an omnichannel strategy has been adopted that blends the physical and digital worlds. This comprehensive approach caters to a diverse customer base, accommodating preferences for in-store shoppers and online convenience seekers. The importance of omnichannel is underscored by its ability to facilitate easy online product discovery for those seeking convenience. At the same time, physical stores remain essential for those looking for product evaluation, particularly in the jewellery sector. This fusion of channels enhances customer engagement and gives retailers a competitive edge. Furthermore, omnichannel enables customers to view endless aisles of products, offering superior variety compared to traditional offline stores. This abundance of options empowers customers to make informed purchase decisions, enriching their shopping experience.

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Exhibit 37
Comparison of business models – Channel
Descriptive



Categories	Organised			Unorganised Players
	Omni-Channel	Pureplay Online	Traditional	
Sales Channel Type	Online/Offline Discovery and Fulfilment	Online Discovery and Fulfilment	Offline Discovery and Fulfilment	Offline Discovery and Fulfilment
Dominant Product Category	Daily + Fashion Wear+ Wedding+ Others Occasion Led	Daily + Fashion Wear	Wedding Wear+ Other occasion led	Wedding Wear+ Daily wear
Price Positioning	Mass to Mid	Mass to Mid	Mid to Premium	NA
Average Selling Price (INR, 2024)	35-50K	10-20K	50-75K	30-40K
Conversion Rate				Lack of Trust
Repeat Purchases				Lack of Trust
Dominant Target Audience (Age)	20-50+	20-40	35-55	40+
Leading Designs	Light diamond (18-22K gold), polki, enamel, gold jewellery	Light jewellery(metals, silver, platinum)	Heavy intricate gold (Meenakari, precious gems, high carat)	Heavy intricate gold (Meenakari, precious gems, high carat)
Engagement rates	Driven by Online presence			Familial ties leading to high engagement
Online rendering				
Gross margins				
Inventory turnover	2.5-3x	1.5-2.5x	2-4x	3-5x
ROCE				

Source(s): Redseer Research & Analysis

There are multiple ways for brands to expand their offline presence with varying ownership models

1. Complete ownership

Direct store ownership offers unparalleled control, allowing owners to shape every aspect of their business. This autonomy translates into swift decision-making, enabling owners to adapt swiftly to market shifts without waiting for approvals. This ensures a management style the company endorses, thus, no conflicts. Since everything is in-house, higher initiatives can be undertaken at each store. There is also a stronger community engagement among the stores in this model. However, the self-ownership model comes with its challenges. It demands a substantial upfront investment, including location selection, hiring, and operations. It also requires a significant commitment of both time and financial resources, which can be a considerable burden without the buffer of shared risks.

2. Franchise ownership

In the franchise model, the company benefits from significantly reduced costs. The franchisee typically bears the setup and staff costs, leading to a higher growth rate. This approach is cost-effective and offers lower risk. Franchisers often experience faster growth, increased profitability, and enhanced organisational leverage. These factors contribute to improved revenue and overall growth for the organisation. While the franchisee finances their outlet, the company generates revenue through franchise fees/royalties or markups on products sold.

There are 2 types of franchise ownership models-

- A. FOFO – Franchise Owned – Franchise Operated
- B. FOCO/FICO – Franchise Owned/Invested Company Operated

A. FOFO – Franchise Owned – Franchise Operated

The franchise-owned and franchise-operated model is a business structure where individual franchisees own and operate their respective locations. In this model, the franchisee invests in and manages the day-to-day operations of the franchise, maintaining a direct stake in the business's success. The operational control is delegated to the franchisee, introducing opportunities and risks. This model emphasises balancing autonomy with oversight to align with broader business objectives while empowering franchisees for localised success. The model entails the risk of quality control and compliance handling as franchisee undertake these responsibilities.

B. FOCO/FICO – Franchise Owned/Invested Company Operated

In this franchise model, the store is owned by the franchise but operated by the company. This gives the company a higher degree of control while maintaining minimal risk. The company takes operational and inventory risks by overseeing day-to-day operations and having the inventory on its books. The inventory ownership ensures that merchandising is more dynamic, focusing on contemporary designs. This merchandise flexibility aids the daily and fashion categories.

Exhibit 38
Comparison of Ownership, FOCO, FICO, FOFO Model
Descriptive

					Low High	
Aspect	Ownership Model	FICO Model	FOCO Model	FOFO Model		
Definition	Store-operated and owned by the company	Store-operated by the company and invested by the franchisee	Store-operated by the company and owned by the franchisee	Store-operated and owned by the franchisee		
Company Expenditure	Capital and Operational Expenses	Operational Expenses	Operational Expenses	NA		
Financial Risk Involved						
Conflict Possibility						
Degree of Control						
Inventory Risk						
Standardized Customer Experience						

Source(s): Redseer Research & Analysis

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Financial and operational benchmarking of organised retailers (for publicly listed players)

Exhibit 39

Financial and operational benchmarking - Organised players

FY 2025, Absolute Figures, INR Million, in %

The companies mentioned below may have other related entities, or might define metrics differently and hence, may not be directly comparable

Particulars		BlueStone Jewellery and Lifestyle Private Limited	Titan Company Limited (for Jewellery division unless otherwise stated)	Kalyan Jewellers India Limited	Senco Gold Limited	PC Jeweller Limited	Thangamayil Jewellery Limited
Financial Metrics	Total revenue ² (In INR Million) (FY25)	18,300	4,92,270- Jewellery Division 5,53,350- Titan company Ltd	2,51,897	63,826	23,719	49,163
	Operating revenue (In INR Million) (FY25)	17,700	4,63,890- Jewellery Division ³ 5,48,420- Titan Company Ltd	2,50,451	63,281	22,446	49,106
	Revenue Growth ⁴ (FY23-FY25)	51.54%	19.71%	33.41%	24.58%	(4.72%)	24.81%
	Gross Margins ⁵ (FY25)	37.94%	20.24%- Titan Company Limited	13.11%	13.46%	21.27%	10.14%
	EBITDA post-Ind-AS (In INR Million) (FY25)	732	52,920 Titan Company Limited	15,172	3,676	3,955	2,190
	EBITDA post-Ind-AS (margins) ⁶ (%) (FY25)	4.13%	9.65% Titan Company Limited	6.06%	5.81%	17.62%	4.46%
	ROCE ⁷ (FY25)	(3.67%)	14.97% Titan Company Limited	14.51%	8.01%	4.57%	10.54%
	Marketing Expenses ⁸ (In INR Million) (FY25)	1,592	25,570 Titan Company Limited	4,734	NA	NA	684
	GMROI (FY25) ⁹	50.84%	53.64%	36.53%	29.59%	7.77%	31.44%
	Studded Share ¹⁰ (Q4 FY25)	68%	30%	31%	NA	NA	NA
Operational Metrics	Online Channel Presence	Present	Present	Present	Present	Present	Present
	Regional Split of Stores (FY25)	North-30%, South-28%, East-18%, West-24%	Regional Split Not available	South India – 33%, Non-South India – 67%	North- 14%, South- 3%, East- 76%, West- 4%, Central- 3%	NA	South India – 100%
	Presence in no of Cities/Towns (FY25)	117	298 ¹¹	NA	115	38	NA
	Number of Stores in India (FY25)	275	745 ¹²	351	174	51	63
	Same Stores Sales Growth ¹³ (in %) (FY25)	32.14%	NA	NA	15%	NA	18.10%
	Revenue per Store ¹⁴ (In INR Million) (FY25)	64	623	714	362 ¹⁶	440	779
	Inventory Turnover Ratio ¹⁵ (FY25)	1.34	2.65	2.79	2.20	0.37	3.10

Legend: Blue font indicates calculated data points

Note(s):

Fields marked 'NA' will be updated upon public disclosure of the respective financial information

1. Standalone financial statements have been considered for Titan and consolidated financial statements have been considered for others
2. Total Revenue = Revenue from operations + Other income
3. Operating revenue for jewellery division of Titan Limited has been calculated by adding revenue from manufactured goods and traded goods

4. *Revenue Growth = Compounded Annual Growth Rate (CAGR) of revenue from operations from Fiscal Year 23-25*
5. *Gross Margins: Gross profit margin = Gross profit/Revenue from operations, Gross profit = Revenue from operations – Cost of goods sold*
6. *EBITDA Margins: (EBITDA/ Revenue from operations) *100, (EBITDA=Profit before tax + Finance cost + Depreciation & Amortization expenses - Other income; PC Jewellers EBITDA adjusted for FVTPL one-time loss in FY25)*
7. *ROCE (Return on Capital Employed) = Earnings before Interest and tax (EBIT) / Capital Employed; EBIT = Profit/Loss Before Tax - Other income + Finance Cost, (PC Jewellers EBIT adjusted for FVTPL one-time loss in FY25); Capital Employed = Total Equity + Non-Current Borrowings + Current Borrowings (including Gold Metal Loan(GML)) + GML (Only for peers of which GML was not mentioned under Current Borrowings heading - Titan & Kalyan)*
8. *The marketing expenses calculated are a sum of advertising and sales promotion expenses*
9. *GMROI: Gross margins x Inventory Turnover Ratio (Inventory Turnover Ratio has been calculated as Operating Revenue/ Average Inventory)*
10. *Studded share: The percentage share of studded jewellery sales of the total jewellery sales*
11. *Presence in no. of cities/ towns has been considered for Tanishq only*
12. *The number of jewellery stores for Titan is 745, including Tanishq (501), Mia (232), Zoya (12).*
13. *Same Store Sales growth for BlueStone has been calculated as like-for-like year-on-year growth in sales for stores that have been open for at least 12 months. For peers it is based on the data reported by the respective companies. SSSG for Titan Limited represents growth for Tanishq*
14. *Revenue per store: Operating Revenue/ Number of stores. Number of stores as on Fiscal year 2025 has been considered for the purpose calculating revenue per store*
15. *Inventory Turnover Ratio= Operating Revenue /Average Inventory*
16. *Denominator for calculation of Revenue per store for Senco includes 1 Dubai store*

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Exhibit 40

Financial and operational benchmarking - Organised players

FY 2024, Absolute Figures, INR Million, in %

The companies mentioned below may have other related entities, or might define metrics differently and hence, may not be directly comparable

Particulars		BlueStone Jewellery and Lifestyle Private Limited	Titan Company Limited (for Jewellery division unless otherwise stated)	Kalyan Jewellers India Limited	Senco Gold Limited	PC Jeweller Limited	Thangamayil Jewellery Limited
Financial Metrics	Total revenue ² (In INR Million) (FY24)	13,035	4,22,920- Jewellery Division 4,76,240- Titan company Ltd	1,86,220	52,837	6,699	38,322
	Operating revenue (In INR Million) (FY24)	12,658	3,81,000- Jewellery Division ³ 4,71,140- Titan Company Ltd	1,85,483	52,414	6,054	38,268
	Revenue Growth ⁴ (FY22-FY24)	65.64%	28.93%	30.94%	21.77%	(38.61%)	32.10%
	Gross Margins ⁵ (FY24)	40.41%	21.59% ⁷ Titan Company Limited	14.63%	15.30%	(11.56%)	11.05%
	EBITDA post-Ind-AS (In INR Million) (FY24)	530	50,240 Titan Company Limited	13,127	3,755	(1,713)	2,124
	EBITDA post-Ind-AS (margins) ⁶ (%) (FY24)	4.19%	10.66% ⁷ Titan Company Limited	7.10%	7.16%	(28.30%)	5.55%
	ROCE ⁷ (FY24)	(3.39%)	18.16% ⁷ Titan Company Limited	13.84%	11.01%	(2.73%)	19.72%
	Marketing Expenses ⁸ (In INR Million) (FY24)	1,242	21,770 Titan Company Limited	3,553	1,034	6	365
	GMROI (FY24) ⁹	73.78%	63.92%	35.45%	36.91%	-1.23%	38.94%
	Studded Share ¹⁰ (Q4 FY24)	67%	33%	29%	Not available	Not Available	Not Available
	Online Channel Presence	Present	Present	Present	Present	Present	Present
	Regional Split of Stores (FY24)	North-30%, South-26%, East-21%, West-23%	Regional Split Not available	38% South India, 62% Non-South India,	North-14%, South-3%, East-76%, West-4%, Central-3%	Not Available	South-100%
	Presence in no of Cities/Towns (FY24)	80	279 ¹¹	Not Available	107	Not Available	Not Available
	Number of Stores in India (FY24)	192	649 ¹²	217	159	60	57
	Same Stores Sales Growth ¹³ (in %) (FY24)	51.16%	16.00%	17.00%	19.00%	Not Available	23.49%
	Revenue per Store ¹⁴ (In INR Million) (FY24)	73	587	855	330	101	671
	Inventory Turnover Ratio ¹⁵ (FY24)	1.83	2.96	2.42	2.41	0.11	3.52

Legend: Blue font indicates calculated data points

Note(s):

1. Standalone financial statements have been considered for Titan and consolidated financial statements have been considered for others
2. Total Revenue = Revenue from operations + Other income
3. Operating revenue for jewellery division of Titan Limited has been calculated by adding revenue from manufactured goods and traded goods
4. Revenue Growth = Compounded Annual Growth Rate (CAGR) of revenue from operations from Fiscal Year 22-24

5. *Gross Margins: Gross profit margin = Gross profit/Revenue from operations, Gross profit = Revenue from operations – Cost of goods sold*
6. *EBITDA Margins: (EBITDA/ Revenue from operations) *100, (EBITDA=Profit before tax + Finance cost + Depreciation & Amortization expenses - Other income)*
7. *ROCE (Return on Capital Employed) = Earnings before Interest and tax (EBIT) / Capital Employed; EBIT = Profit/Loss Before Tax - Other income + Finance Cost, (PC Jewellers EBIT adjusted for FVTPL one-time loss in FY25); Capital Employed = Total Equity + Non-Current Borrowings + Current Borrowings (including Gold Metal Loan(GML)) + GML (Only for peers of which GML was not mentioned under Current Borrowings heading - Titan & Kalyan)*
8. *The marketing expenses calculated are a sum of advertising and sales promotion expenses*
9. *GMROI: Gross margins x Inventory Turnover Ratio (Inventory Turnover Ratio has been calculated as Operating Revenue/ Average Inventory)*
10. *Studded share: The percentage share of studded jewellery sales of the total jewellery sales*
11. *Presence in no. of cities/ towns has been considered for Tanishq only*
12. *The number of jewellery stores for Titan is 649, including Tanishq (479), Mia (178), Zoya (8), subtracting 16 stores outside India*
13. *Same Store Sales growth for BlueStone has been calculated as like-for-like year-on-year growth in sales for stores that have been open for at least 12 months. For peers it is based on the data reported by the respective companies. SSSG for Titan Limited represents growth for Tanishq*
14. *Revenue per store: Operating Revenue/ Number of stores. Number of stores as on Fiscal year 2024 has been considered for the purpose calculating revenue per store*
15. *Inventory Turnover Ratio= Operating Revenue /Average Inventory*

Source(s): Company Fillings, Annual Reports, Investors Presentation, Quarterly Results

In terms of revenue growth, BlueStone is the fastest-growing jewellery retailer, amongst the leading jewellery retailers in India between Financial year 2021 and 2024¹¹. (Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer).

¹¹ Retained for fiscal year 2024 as all company's data not released for fiscal year 2025.

Operational and financial benchmarking of Omni-channel players

Exhibit 41

Financial and operational benchmarking – Omni-channel players

FY2024¹², Absolute Figures, INR Million, in %

The companies mentioned below may have other related entities, or might define metrics differently and hence, may not be directly comparable

Key Metrics	BlueStone Jewellery and Lifestyle Private Limited	Caratlane Trading Private Limited
Promoter/Parent backed	Promoter- Founded by Gaurav Singh Kushwaha, Invested by Accel, 360 One, and Hero group, Iron Pillar, Kalaari Capital	99.6% Owned Subsidiary of Titan Co. Ltd
Total Revenue ¹ (INR Million) (FY24)	13,035	31,064
Operating Revenue (INR Million) (FY24)	12,658	30,809
Revenue Growth ² (FY22-FY24)	65.64%	56.64%
Gross Margins ³ (FY24)	40.41%	32.58%
EBITDA post-Ind-AS (In INR Million) (FY24)	530	2,537
EBITDA post-Ind-AS (margins) ⁴ (%) (FY24)	4.19%	8.23%
GMROI (FY24) ⁵	73.78%	103.05%
Marketing Expenses ⁶ (INR Million) (FY24)	1,242	2,252
Number of stores (FY24)	192	272
Presence in no of Cities/Towns (FY24)	80	110
Social Media Reach on Instagram ⁷ (30 th Nov, 2024)	520K	1000K
Certification ⁸	100% certified GIA, SGL, IGI, HKD Diamond Laboratories, BIS Hallmark, GSI	100% certified GIA,BIS Hallmark, IGI, HRD

Legend: Blue font indicates calculated data points

Note(s):

1. Total Revenue = Revenue from operations + Other income
2. Revenue Growth = Compounded Annual Growth Rate (CAGR)
3. Gross Margins: Gross profit margin = Gross profit/Revenue from operations
4. EBITDA Margins: (EBITDA/ Revenue from operations) *100, (EBITDA=Profit before tax + Finance cost + Depreciation - Other income)
5. GMROI: Gross margins x Inventory Turnover Ratio (Inventory Turnover Ratio has been calculated as Operating Revenue/ Average Inventory)
6. The marketing expenses calculated are a sum of advertising and sales promotion expenses
7. Social Media Reach (Instagram) as of 30 June 2024
8. Certification as of 30 June 2024 at 10:00 a.m.

Source(s): Company Fillings, Annual Reports, Investors Presentation, Quarterly Results

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¹² FY 2025 data for Caratlane Trading Private Limited not available yet

Glossary

1. Jewellery retailers peer set-

Leading Jewellery Retailers are defined as omnichannel and multichannel retailers in India, including BlueStone and listed retailers with revenue of more than ₹ 5,000 million in Fiscal 2024 and who have more than 50 physical stores. CaratLane, a step-down subsidiary of Titan Limited, has a similar business model as BlueStone and has, therefore, also been included as a peer.

2. Key terms

S. No.	Term	Description
1	Age classification	1. Millennials - People currently between the age of 28-43 2. Gen Z - People currently between the age of 12-27
2	Branded jewellery market	Branded jewellery is jewellery products sold under the brand's distinct brand name/mark
3	City-tier classification	1. Tier 1 cities are the cities of Ahmedabad, Bangalore, Chennai, Delhi/ NCR, Hyderabad, Kolkata, Mumbai and Pune 2. Tier 2 cities are cities with a population of more than 1 million 3. Tier 3+ cities are cities with a population less than 1 million
4	Conversion rate	1 USD = INR 85
5	CY (Calendar Year)	The year starts on 1st January and goes on to 31st December of the said year.
6	Digital-first brands	Digital-first brands are brands with >60% of gross sales value coming from online/online influenced channels
7	Discretionary expenditure	Discretionary expenditures include spending on categories such as FMCG (excl. staples) apparel, consumer electronics, consumer appliances, general merchandise, and beauty & personal care (BPC), among others. These tend to have cyclical demand, fluctuating with economic conditions.
8	Financial Inclusion Index	The FI-Index is a comprehensive index incorporating details of banking, investments, insurance, postal, and the pension sector in consultation with the Government and respective sectoral regulators. The index captures information on various aspects of financial inclusion in a single value ranging between 0 and 100, where 0 represents complete financial inclusion, and 100 indicates full financial inclusion.
9	Fiscal Year (Financial Year)	The year begins on the 1st of April of the base year and continues until the 31st of March of the succeeding year.
10	GDP	GDP measures the monetary value of final goods and services—that is, those that are bought by the final user—produced in a country in a given period of time
11	GDP at current prices	GDP at purchaser's prices is the sum of gross value added by all resident producers in the economy plus any product taxes and minus any subsidies not included in the value of the products. It is calculated without making deductions for the depreciation of fabricated assets or for the depletion and degradation of natural resources.
12	GER	Gross Enrolment Ratio stands for total enrolment in a specific level of education, regardless of age, expressed as a percentage of the eligible official school-age population corresponding to the same level of education in a given school year.
13	GNI	GNI per capita is the gross national income of a country divided by its midyear population, converted to U.S. dollars using the World Bank Atlas method. It includes the value added by all residents, taxes (minus subsidies), and net income from abroad, converted at official exchange rates or alternative rates when necessary
14	GTV	The total value of transactions processed through a business's platform, including all associated costs.

15	Household classification	<ol style="list-style-type: none"> 1. High income households are households with annual income more than INR 1.1 million 2. Upper middle-class households are households with annual income between INR 0.8-1.1 million 3. Lower middle-class households are households with annual income between INR 0.3-0.8 million 4. Low-income households are households with annual income less than INR 0.3 million
16	Legacy brands	Legacy brands are established companies with traditional, primarily offline presence and may or may not have an online presence
17	LFPR	LFPR is defined as the percentage of persons in the labour force (i.e. working or seeking or available for work in the population
18	Multichannel	Retailers with multiple sales channels, including physical stores, online platforms, and mobile apps, offering customers flexibility and convenience. However, the channels are not unified.
19	Nominal GDP growth	Nominal GDP is the GDP unadjusted for the effects of inflation and is at current market price
20	Non-Discretionary expenditures	Non-Discretionary expenditures encompass spending on essential categories such as pharmaceuticals, staples and fresh food, which are less sensitive to economic changes
21	Nuclear households	Includes “couple only” households, “couple with children” households, and “single parent with children” households
22	Omnichannel	Stores that aim to provide a seamless shopping experience across all channels, with integrated online and offline channels
23	Online jewellery	Refers to jewellery sold and purchased through internet-based platforms/websites
24	Online influenced	Defined as sales to consumers who visit an online channel at least once during their shopping journey, mostly before purchase
25	Online influenced jewellery market	Online influenced sales refer to sales where the customer researched the product online but bought offline and includes pureplay digital, omnichannel and online sales of multichannel players
26	Organised jewellery market	Refers to jewellery being sold through established retail chains, multi showroom outlets, branded stores, and online platforms
27	PFCE	Private Final Consumption Expenditure is the expenditure incurred on final consumption of goods and services by the resident households. PFCE includes final consumption expenditure of (a) households and (b) non-profit institutions serving households (NPISH) like temples, gurdwaras
28	Real GDP	Real GDP is an inflation-adjusted calculation reflecting the value of economic output, GDP at current price
29	Studded jewellery	Jewellery that has been bejewelled with precious stones, gemstones or coloured stones
30	Unorganised jewellery market	The unorganised market includes sales through local jewellers, family-owned businesses small businesses etc.
31	Urbanisation	The process through which cities grow, and higher and higher percentages of the population come to live in the city.