

March 12, 2026

Antara Jewellery Private Limited: [ICRA]BBB+ (Stable)/ [ICRA]A2; assigned

Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Long-term/ Short term – Fund-based Limits – Working Capital Facilities	35.00	[ICRA]BBB+ (Stable)/ [ICRA]A2; assigned
Long-term/ Short term – Unallocated Limits	10.00	[ICRA]BBB+ (Stable)/ [ICRA]A2; assigned
Total	45.00	

*Instrument details are provided in Annexure-I

Rationale

The assigned ratings factor in the extensive experience of the promoters and the established market position of Antara Jewellery Private Limited (AJPL) in the retailing business of jewellery made of gold, silver, platinum and diamond, along with the company's long presence and well-known brand, Antara Gold & Diamonds, in Mumbai. The operating profit margin (OPM), which has remained healthy over the past fiscals, is expected to improve further in the current fiscal to more than 16.0% (13.8% in FY2025 and 12.0% in FY2024), driven by the persistent rise in gold prices. The profitability of the company in the subsequent fiscals will remain dependent on gold price fluctuations as the entity does not formally hedge its gold inventory at present. The RoCE of the company is also likely to remain at a healthy level in the near-to-medium term. AJPL's comfortable financial risk profile, as reflected by a conservative capital structure and healthy coverage metrics, also supports the ratings. The ratings also derive comfort from the strong financial flexibility of the company, as reflected by TOL/Inventory of around 24% in FY2025, which is likely to improve gradually over the medium term. The ratings further consider the favourable long-term growth prospects of organised jewellers with an accelerated shift in the market share from unorganised to organised jewellers, which is likely to benefit AJPL. The product concentration risk for the entity is mitigated by a diversified mix with studded jewellery contributing around 35% to its revenue (relatively margin accretive), while plain gold jewellery accounting for the balance.

The ratings, however, are constrained by the company's relatively smaller scale of operations compared to other established organised players in the gold jewellery retail segment, notwithstanding a material improvement in scale over the past few fiscals. The ratings also factor in the vulnerability of AJPL's earnings to volatility in gold prices, intense competition on the back of a fragmented industry structure and aggressive store expansion plans undertaken by many large jewellers, along with the inherent regulatory risks associated with the jewellery business and a cautious lending environment. Nevertheless, ICRA expects the operating income of the company to register a steady growth over the near-to-medium term, primarily driven by elevated gold prices. The ratings continue to factor in the high working capital intensive nature of AJPL's operations, necessitated from large inventory holding, common in the jewellery retail business. The ratings also consider relatively higher geographical concentration risk as AJPL derives its entire revenue from Maharashtra.

The Stable outlook on the long-term rating reflects ICRA's opinion that the company will maintain its business position and stable revenue growth, supported by adequate liquidity, comfortable cash flows and sufficient working capital headroom, enabling it to meet its debt service obligations comfortably over the medium term.

Key rating drivers and their description

Credit strengths

Experience of promoters in jewellery business; established market position – The company is a part of the Mumbai-based Vallabhji Group, which has a presence across the jewellery value chain, including manufacturing and trading (wholesale and retail) in domestic and international markets. The promoters and their families have been engaged in the gold jewellery business for over four decades. The company is actively managed by Mr. Ankit Ulhas Gala and Mr. Mayank Ulhas Gala, who oversees the day-to-day operations, supported by a team of experienced and qualified professionals with long industry expertise. AJPL has an established market position in the retail jewellery segment in Mumbai, supported by its ability to maintain adequate and consistent product quality, in line with customer preferences and tastes. Currently, the company has

two company-owned and company-operated (COCO) showrooms, one at Dadar and another one at Borivali, in Mumbai. The company sells its jewellery under the brand, Antara Gold & Diamonds. The studded jewellery accounts for around 35% of its retail sales, which supports the brand positioning and contributes positively to its margins.

Comfortable financial risk profile, characterised by a conservative capital structure and healthy debt protection metrics – The operating profit margin (OPM) of AJPL rose to 13.8% in FY2025 from 12.0% in FY2024 due to an increased margin on sales, amid rising gold prices and better absorption of overheads. The net profit margin (NPM) followed suit and improved to 9.4% in FY2025 from 7.8% in FY2024. ICRA expects the margins to improve further in the current fiscal, given the continuing upward trend in the gold prices. The RoCE stood at 30.1% in FY2025 and is estimated to remain strong over the next two years. AJPL primarily avails working capital loans from banks. Long-term debt of Rs. 18.24 crore as on March 31, 2025 comprised interest bearing unsecured loans from promoters. The capital structure of the company has remained conservative with a TOL/TNW of 0.3 times as on March 31, 2025. With a steady rise in profits and cash accruals, the coverage indicators of the company have remained healthy over the past few years. In view of sizeable profits and cash accruals from the business, ICRA expects the company's capital structure to improve further, going forward. The coverage indicators would also continue to remain healthy.

Favourable long-term growth prospects for organised jewellery retailers – Increasing regulations in the jewellery retail industry in the recent years, aimed at improving transparency and standardisation, have accelerated the shift in the market share from the unorganised players to organised ones. The industry tailwinds are expected to benefit organised jewellery retailers like AJPL over the medium term. Also, the customs duty cut of 9% on gold, in the Union Budget in July 2024, has been disincentivising illegal import, thereby benefiting organised players.

Credit challenges

Relatively smaller scale of current operations – Historically, the scale of operations of the company has remained relatively smaller compared to other established organised players in the gold jewellery retail segment. The operating income of AJPL witnessed a material growth over the past couple of years, primarily driven by the increase in gold price. Increase in sales volume of gold also played a significant role towards the growth trajectory. The operating income of the company registered a YoY growth of around 20% in FY2025, primarily driven by a sharp rise in gold price, whereas the volume of sales registered a marginal growth (~1%) during the year. Gold price witnessed a steep rise in the current fiscal as well, dampening industry-wide jewellery demand. The company reported a top line of around Rs. 334 crore in 9M FY2026. While elevated gold prices would lead to a sizeable moderation in sales volume during the current fiscal, on a YoY basis, the entity's revenue is expected to grow by 17-19% in FY2026, supported by higher gold prices.

Performance exposed to intense competition and regulatory risks in retail jewellery segment – Jewellery retail business is highly competitive, with a large share of unorganised trade. AJPL remains exposed to intense competition with limited pricing flexibility, with the presence of a large number of organised and unorganised players, which would keep its margins under check. ICRA expects the OPM of the company to remain above 16% in the current fiscal. The jewellery retail industry has witnessed increased regulatory intervention in the recent years, like restrictions on bullion imports, limited access to gold metal loans, limitation on jewellery saving schemes, mandatory PAN disclosure on transactions above a threshold limit etc., which impacted the operating environment and consequently the performance of the jewellers. Increasing supervision and cautious lending environment further restricted fund flows to the sector.

Earnings exposed to geographical concentration risks and volatility in gold prices – The company, a Mumbai-based jewellery retailer, derives its entire revenue from Maharashtra. High geographical concentration of revenue exposes the company to risks arising from any local event, which could adversely impact the business profile. However, the risk is mitigated to an extent by the company's strong brand presence. Besides, the company's profitability remains exposed to volatility in gold prices in the absence of any formal hedging practice. This is, however, mitigated to a large extent by the extensive experience of the promoters and regular procurement of gold, in line with sales, to manage inventory costs.

High working capital intensive nature of operations due to large inventory holding – Jewellery retailing business is highly working capital intensive in nature, given the need to display varied designs of jewellery to its customers. AJPL generally maintains a large inventory of 7-8 months on an average, across its stores, depending on the footfall, and the stockholding surge during the festive season. The net working capital relative to the operating income of the company stood at around 47% in FY2025 (48% in FY2024). Moreover, given the rising gold prices and the expected top line growth, the working capital intensity may increase to some extent, going forward. The company's ability to manage its inventory levels and liquidity position, while increasing the scale, will be the key determinants of its financial risk profile.

Liquidity position: Adequate

The company generated positive cash flow from operations in FY2025. However, growth in the top line expected in FY2026 would lead to higher inventory holding, which is likely to weigh on the cash flow from operations. The average fund-based working capital utilisation of the company stood at a relatively lower level of around 43% during the last 15 months, ended in December 2025. In view of unutilised working capital limits, nominal capital expenditure and absence of long-term debt repayment obligations, ICRA expects the liquidity position of the company to remain adequate, going forward.

Rating sensitivities

Positive factors – ICRA may upgrade AJPL’s ratings if there is a sustained healthy increase in its revenue and earnings on the back of improving business diversification through store addition, while maintaining healthy debt protection metrics and liquidity position.

Negative factors – Pressure on AJPL’s ratings could arise if there is a sustained deterioration in its revenues and earnings and/or the working capital cycle, adversely impacting the coverage metrics and the liquidity position. Specific credit metrics that could result in ratings downgrade include TOL/TNW above 1.5 times on a sustained basis.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Jewellery - Retail
Parent/group Support	Not Applicable
Consolidation/standalone	The ratings are based on the standalone financial statements of the entity

About the company

Antara Jewellery Private Limited (AJPL) was incorporated in 2006 by the Mumbai-based Gala family. The company is involved in retailing gold, silver, diamond, platinum and studded jewellery and operates through two COCO showrooms in Mumbai, as of January 2026. The company sells its products under the brand, Antara Gold & Diamonds.

The company belongs to the Vallabhji Group, which has interests in manufacturing and trading (wholesale/retail) in domestic as well as international markets.

Key financial indicators (audited)

AJPL, Standalone	FY2024	FY2025	9M FY2026*
Operating income	305.2	366.6	334.4
PAT	23.7	34.4	63.5
OPBDIT/OI	12.0%	13.8%	19.4%
PAT/OI	7.8%	9.4%	-
Total outside liabilities/Tangible net worth (times)	0.5	0.3	-
Total debt/OPBDIT (times)	1.2	0.7	-
Interest coverage (times)	8.8	13.2	43.2

Source: Antara Jewellery Private Limited, ICRA Research; All ratios as per ICRA’s calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDITA: Operating profit before depreciation, interest, taxes and amortisation; * Provisional numbers

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for past three years

Instrument	Type	Current ratings (FY2026)		Chronology of rating history for the past 3 years					
		Amount rated (Rs. crore)	Mar 12, 2026	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Working Capital Facilities	Long term/ Short term	35.00	[ICRA]BBB+ (Stable)/ [ICRA]A2	-	-	-	-	-	-
Unallocated Limits	Long term/ Short term	10.00	[ICRA]BBB+ (Stable)/ [ICRA]A2	-	-	-	-	-	-

Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/ Short-term – Fund-based – Working Capital Facilities	Simple
Unallocated Limits	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Working capital facilities 1	-	-	-	20.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
NA	Working capital facilities 2	-	-	-	15.00	[ICRA]BBB+ (Stable)/ [ICRA]A2
NA	Unallocated Limits	-	-	-	10.00	[ICRA]BBB+ (Stable)/ [ICRA]A2

Source: Antara Jewellery Private Limited

[Please Click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Not applicable

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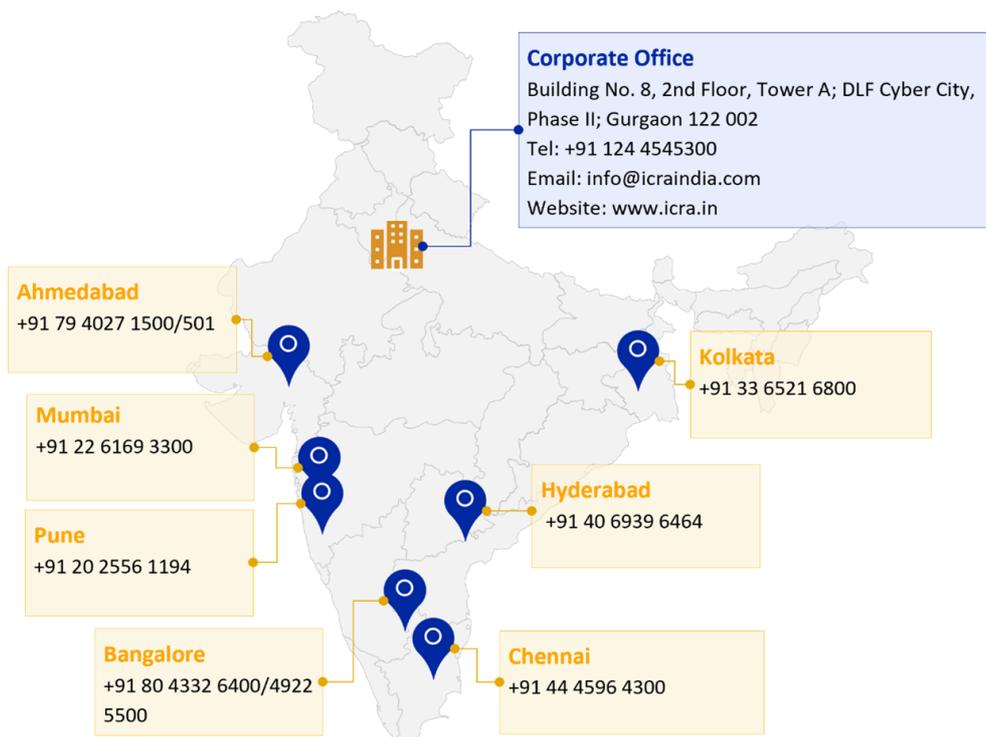


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