



# **MOKSH ORNAMENTS LIMITED**

*Investors Presentation*



## The Growth Story So Far... A Snapshot

- Established in year 2012.
- 2+ decades of experience in the same industry.
- A brand that offers a tantalizing blend of modern and traditional jewellery.
- Carving designs of gold jewellery and specialist in various types of gold bangle.
- Conversion of private limited company to public limited company in year 2017.
- Total turnover of the company at the time to listing was Rs. 239 crores.





# Powered by an Enduring vision, Mission And Values

## Vision

Enhance the value of the Moksh Ornaments brand by ensuring that we are the most trusted jeweller in our markets.

## Mission

Commitment to create the finest establishing Jewelleries.

## Values that Drive us

-  Trust
-  Purity
-  Quality





# Management



## **Amrit Shah ( Managing Director)**

He have 20+ years of experience in manufacturing gold and gold ornaments and handling over all team of 10 people as a business owner.

Excellent understanding of the growing trends in the country with an ability to anticipate the needs of people. Knowledge of local and neighbouring areas and a member of a strong networking team that offers vital inputs on business development.



## **Jawanmal Shah (Whole-time Director)**

He have experience of more than 30 years in the Business of manufacturing gold and gold ornaments. The start- up of the Business till the growth has handled all the work in order to escalate the Business. He have keen knowledge to understand the quality of the products.

Also have an excellent understanding for the trends going on in the country.



## **Next Generation Entering Into The Business**

**CFO - PURVESH AMRIT SHAH**

**Took the business from local level to Pan India**

**Introduced technology into the business**

**Entered into International business**



# Our Product: Bangles





# Our Product: Bangles

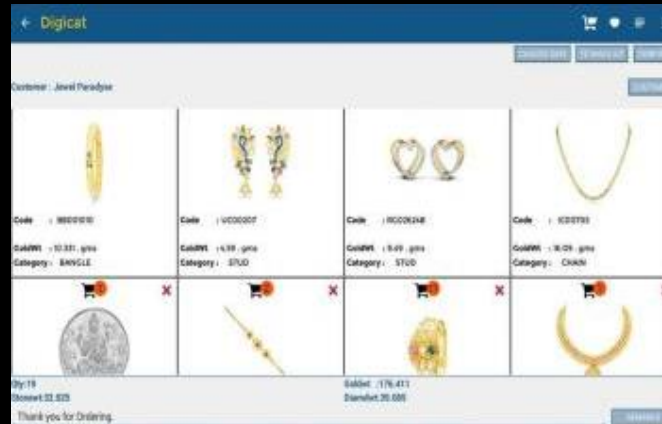




# The Software That Gave us Edge. And Helped Us To Tap Wider Areas

A trendy tool for the jewellery Manufactures,  
Wholesalers and Retailers to showcase elegant designs.

Digicat is the digital / electronic catalogue application for trading  
enterprises in this electronic era.







The Jewellery Is  
Crafted With  
Perfection, Precision  
And  
Meticulous Attention To  
Detail Which Makes Every  
Piece Special.



# GEMS AND JEWELLERY INDUSTRY IN INDIA

One of the biggest businesses in India, playing a crucial role in the Indian economy.

Contributing around 7% of the country's GDP and 15% to India's total merchandise exports.

This is one of the fastest growing sectors that are extremely export-oriented and also labour intensive.

Its exports stood at US\$ 25.11 billion in FY20P (till Jan 2020) It employs to over 4.64 million workers, and expected to employ 8.23 million by 2022.

The gems and jewellery market in India is home to more than 300,000 players, with the majority being small players.

Its market size is about US\$ 60 billion as recorded in 2017 and is expected to reach \$103.06 billion during 2019-2023

Gems and Jewellery industry contributes 29% to the global jewellery consumption.

The industry is already seeing an influx of established brands who are helping the market become more organized.



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# Gems And Jewellery Industry In India

## Growing Demand

- India is second largest consumer of gold. The demand for gold stood at 700 tonnes in 2019.
- The net exports of gems and jewellery stood at US\$ 27.44 billion in FY20P (till February 2020, provisional).
- Increasing disposable income of the middle class is driving the demand in this sector.

## Increasing Investment

- Sector is advancing in investments supported by increasing expansion of domestic companies

## Policy Support

- Gold Monetisation Scheme enables individuals, trusts and mutual funds to deposit gold with banks and earn interest on the same in return.
- In 2019, Government of India launched domestic council for Gems and Jewellery sector to bring all the segments of the industry under one umbrella.

## Attractive Opportunities

- The Indian middle class is expected to rise to 547 million by 2025 and this rise of young Indian middle class worker is expected to lead to an increase in demand for gold.



**ADVANTAGE  
INDIA**



# Government Initiatives

The Government of India made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.



As per Union Budget 2019-20, the GST rate has been reduced from 18 per cent to 5 per cent (\*5 per cent without Input Tax Credit (ITC)) for services by way of job work in relation to gems and jewellery.



The Bureau of Indian Standards (BIS) has revised the standard on gold hallmarking in India from January 2018. The gold jewellery hallmark will now carry a BIS mark, purity in carat and fitness as well as the unit's identification and the jeweller's identification mark. The move is aimed at ensuring a quality check on gold jewellery.



The Gems and Jewellery Export Promotion Council (GJEPC) signed a Memorandum of Understanding (MoU) with Maharashtra Industrial Development Corporation (MIDC) to build India's largest jewellery park in at Ghansoli in Navi-Mumbai on a 25 acres land with about more than 5000 jewellery units of various sizes ranging from 500-10,000 square feet. The overall investment of Rs 13,500 crore (US\$ 2.09 billion).



Gold Monetisation Scheme enables individuals, trusts and mutual funds to deposit gold with banks and earn interest on the same in return.



# INVESTMENTS & DEVELOPMENTS

- ❑ **The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle.**
- ❑ **Consumers are demanding new designs and varieties in jewellery, and branded jewellers are able to fulfil their changing demands better than the local unorganised players. Moreover, increase in per capita income has led to an increase in sales of jewellery, as jewellery is a status symbol in India.**
- ❑ **The cumulative Foreign Direct Investment (FDI) inflows in diamond and gold ornaments in the period April 2000 – December 2019 were US\$ 1.17 billion, according to Department for Promotion of Industry and Internal Trade (DPIIT)**

**Some of the key Investments & Development in this industry are listed below.**

- 1. Deals worth Rs 8,000 crore (US\$ 1.19 billion) were made at the Indian International Jewellery Show held in August 2018.**
- 2. Companies such as PC Jewellers, PNG Jewellers, Popley and Sons, are planning to introduce a virtual-reality (VR) experience for their customers. The customer will have to wear a VR headset, through which they can select any jewellery, see the jewellery from different angles and zoom on it to view intricate designs.**



# Views of prominent industry people on Gold

Sameer Narang, Chief Economist, Bank of Baroda said that typically, gold tends to do well in periods of financial volatility when other assets are losing value because of economic uncertainty. It also tends to do well when the US Federal Reserve reduces interest rates and injects liquidity into the system to reduce volatility and ensure financial stability. Gold prices go up as markets believe that this is likely to result in inflation in the long-term. "Thus, we had seen when the US Fed had started to increase rates and shrink its balance sheet, gold was underperforming as an asset class. Now with Fed again expanding its balance sheet and injecting liquidity, gold is outperforming other asset classes," Narang added.

*Source: ET - Apr 24, 2020*

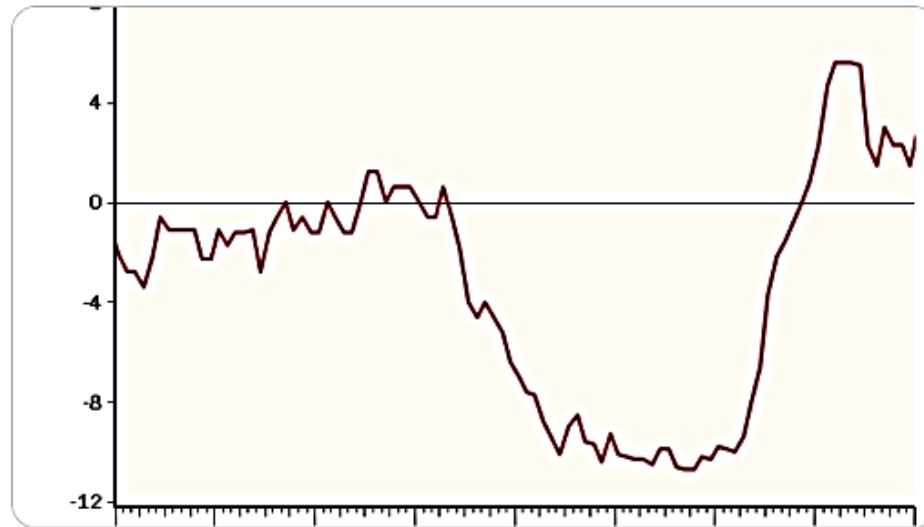


# Views of prominent industry people on Gold



**David Rosenberg** @EconguyRosie · Apr 25

Remember the Great Depression. Deflation came first with the massive shock. Then came the policy-induced inflation with a lag. The vagaries of eroding productivity once demand stabilizes. Buy gold!



69

372

1.1K



Source: B





# Views of prominent industry people on Gold

“Value of the yellow metal has risen over 40% in the last year alone. Gold acts as a hedge against inflation, and historically its value has appreciated during uncertain times, war, pandemic, or an economic slowdown. Since Gold is an international commodity priced in US dollar, any depreciation in rupee will lead to a further rise in prices of gold. During economic uncertainty, gold is generally a safe and profitable investment; therefore, the outlook for gold remains positive in the near term”

*[source - Nish Bhatt, founder and CEO of investment consulting firm Millwood Kane International]*

Source: [Barrons.com](#), 2020



## Views of prominent industry people on gold

“If you really look at India, there is an issue of gold not moving; jewellery demand clearly is nil right now and therefore, the market is at a discount technically. Physical availability of gold is still an issue and we also hear again anecdotally that maybe the recycling was a little higher because of this lockdown. I would not say it has not performed its role and things are very fluid but as we see the market, we do expect that gold will have a very good run in the next few years given all that is happening around”

*[source - MD-India, World Gold Council.]*



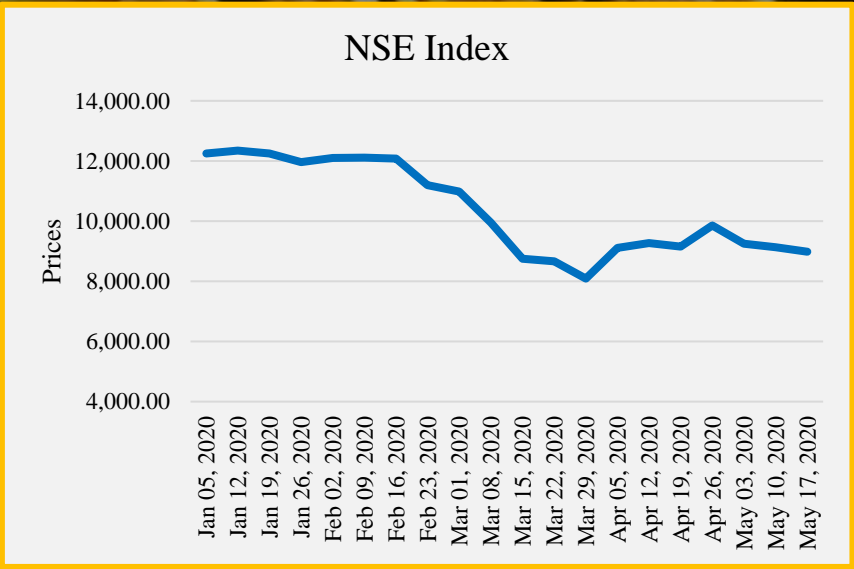
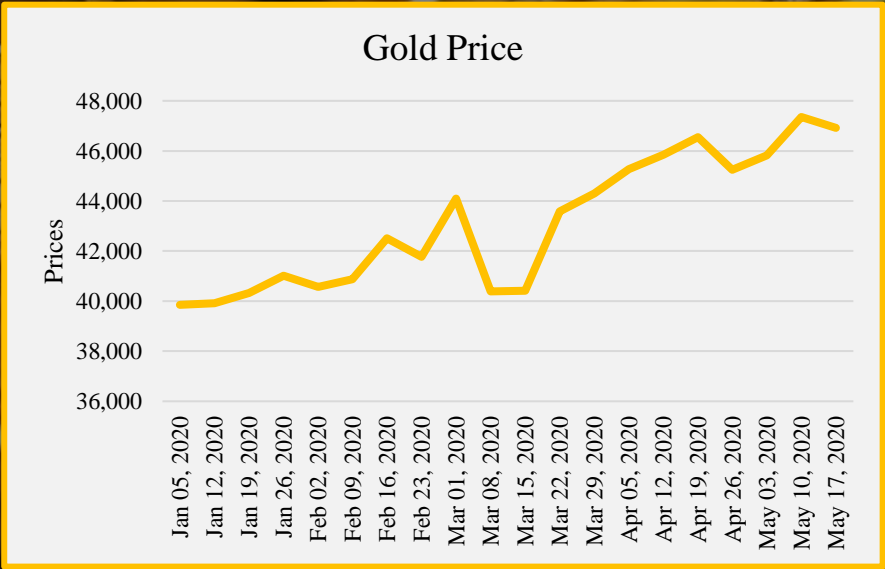
## Views of prominent industry people on Gold

"Since we have seen such a good run up and liquidation in other assets classed, there could be bouts of correction in the near term. But the medium term picture still looks very promising and expect gold on the Comex to above \$2000 and domestic gold prices could target upwards of ₹52,000 over the next 12 months. The attached charts will help you get a technical perspective on how gold could move on the domestic market over the next 12 months."

*[Source - Navneet Damani, VP – Commodities Research, Motilal Oswal Financial Services]*



# Comparison Between NSE and Gold return in Covid-19





# Revenue Statement

<b>Particulars (Rs. In. cr)</b>	<b>FY 20</b>	<b>FY 19</b>	<b>FY 18</b>	<b>FY 17</b>	<b>FY 16</b>	<b>FY 15</b>
Total Income	348.65	381.47	309.71	239.72	142.95	110.81
EBITDA	10.83	9.56	8.82	7.38	2.72	2.37
EBITDA Margins (%)	3.11	2.51	2.85	3.08	1.91	2.14
Depreciation	0.02	0.02	0.03	0.03	0.04	0.04
Finance cost	3.70	2.82	2.94	2.79	2.46	2.08
PBT	7.11	6.70	5.84	4.55	0.22	0.24
PAT	5.32	4.79	3.91	3.09	0.15	0.16
PAT Margins (%)	1.53	1.26	1.26	1.29	0.11	0.15



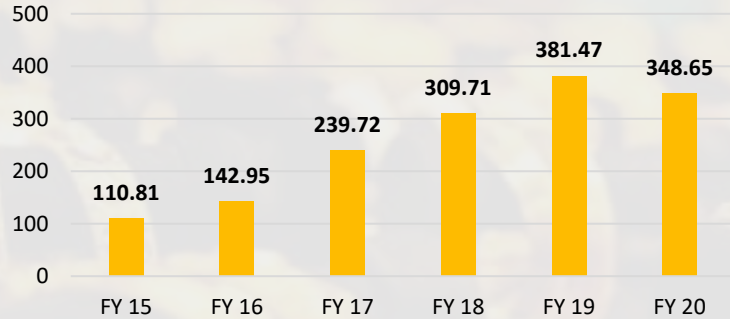
# Balance Sheet

Particulars	FY 20	FY 19	FY 18	FY 17	FY 16	FY 15
Sources Of fund						
Share Capital	10.73	10.73	10.73	5.16	5.16	1.83
Reserves & Surplus	25.21	19.88	15.08	5.91	2.81	0.99
Total Net-worth	35.94	30.61	25.82	11.08	7.98	2.83
Long Term Borrowings						
		-	0.00	0.87	3.10	4.87
Short Term Borrowing	59.86	49.52	33.92	35.02	22.57	10.71
Trade Payables	5.59	2.61	0.00	2.10	7.32	6.95
Other current liabilities	0.06	0.08	0.49	1.55	2.91	1.15
Short Term Provisions	1.93	1.86	1.93	1.69	0.08	0.12
Total	103.38	84.71	62.17	52.33	44.00	26.65
Application of Funds						
Fixed Assets - Tangible	0.06	1.84	1.84	1.86	1.65	1.68
Deferred Tax Asset	0.01	0.01	-	-	0.0049	0.0047
Other Non Current Assets	0.69	0.27	0.24	2.29	1.13	0.03
Current Assets	102.62	82.58	60.07	48.16	41.21	24.92
Total	103.38	84.71	62.17	52.33	44.00	26.65

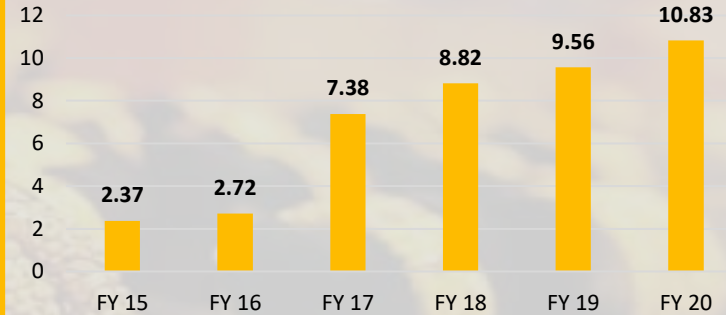


# Strong Financial Performance

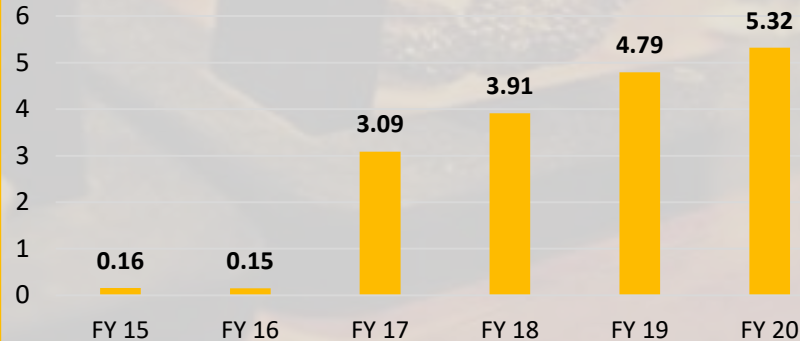
### Revenue (Rs. in Crs)



### EBITDA (Rs. in Crs)

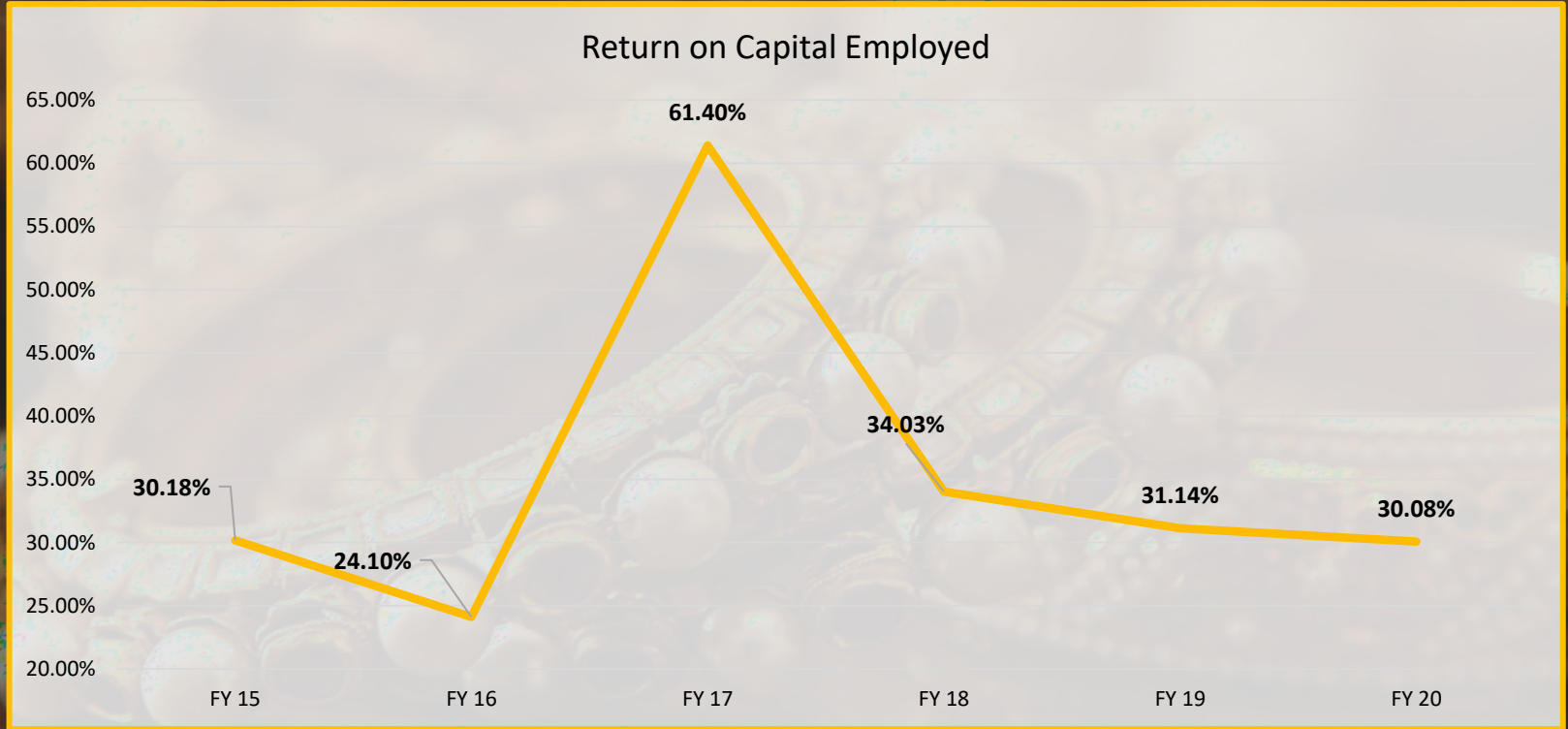


### PAT (Rs. in Crs)





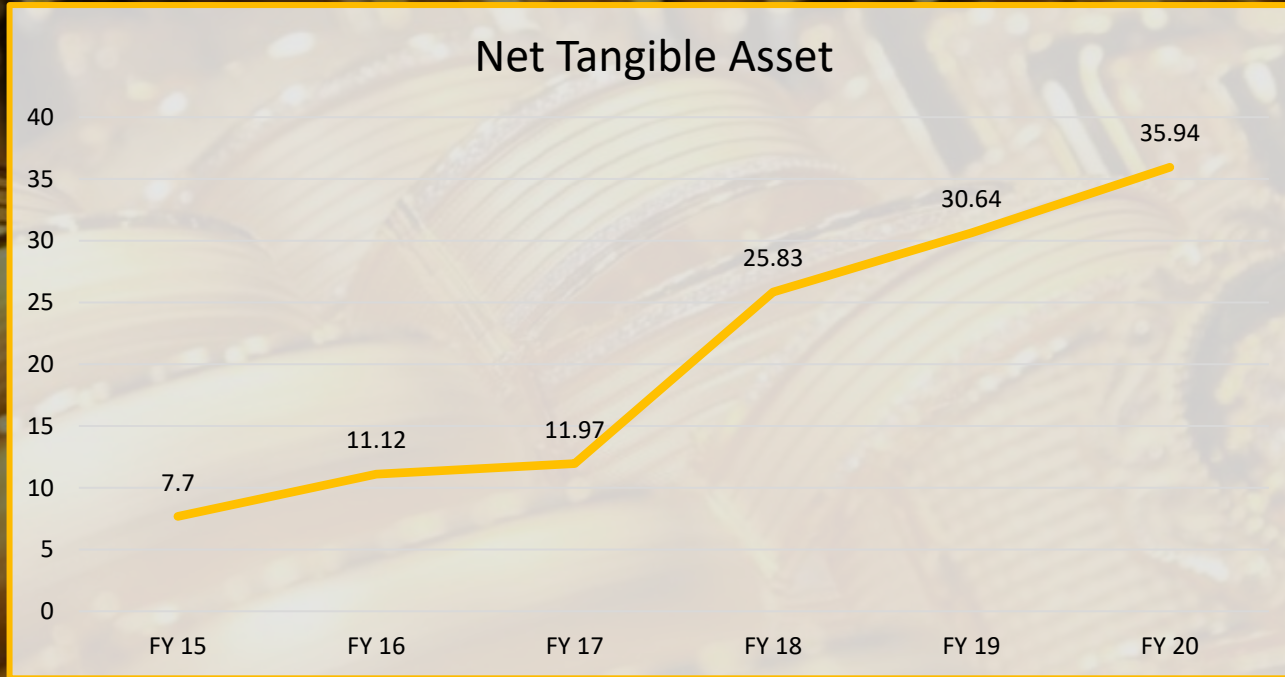
# Return On Capital Employed







# Continues Growth In Net Tangible Asset





# Peer comparison

Particulars	EPS	PE Ratio	Market Cap (Cr.)	CMP	PAT (Rs. In. cr)	Book Value
Moksh ornaments limited	4.96	4.74	24.95	23.5	5.32	33.49
D. P. Abhushan Limited	7.39	7.83	104.71	57.9	22.25	31.39
Goldiam International Limited	19.73	5.27	183.05	104	45.29	187.33
Sona hi sona jewellers (Gujarat) limited	0.53	27.64	24.59	14.65	0.39	13.40

## Notes

- The figures for the peer group are based on audited results for the year ended March 31, 2020 except Sona hi sona jewellers limited.
- Source: BSE/NSE Website
- Sona hi sona jewellers limited are based on audited results for the year ended March 31, 2019.
- Current Market Price (CMP) is the closing prices of respective scripts as on June 30, 2020.



# Investment Rational

**Valuation :** Company is currently trading at P/E of 4.47 at a price of Rs. 23.5/- per Share.

## **Healthy Financials :**

Our total income for the Financial Year March 31, 2018, 2019 and 2020 was Rs. 309.71 Cr, Rs. 381.47Cr and Rs. 348.65Cr. respectively.

Our profit after tax for the Financial Year March 31, 2018, 2019, and 2020 was Rs. 3.91 Cr, Rs. 4.79 Cr and Rs. 5.32Cr. respectively.

## **Disclaimer :**

This presentation contains statements that are “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Moksh Ornaments’ future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Moksh Ornaments undertakes no obligation to publicly revise any forward looking statements to reflect future/likely events or circumstances.



***MOKSH ORNAMENTS  
LIMITED***

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