Dia Precious Jewellery Private Limited
September 16, 2025

Ratings:

Instrument / Facility	Amount (Rs crore)	Current Ratings	Previous Rating	Rating Action	Complexity Indicator
Long term Bank Facilities	10.00	IVR BBB-/Stable (IVR Triple B minus with Stable Outlook)	IVR BBB-/Stable (IVR Triple B minus with Stable Outlook)	Rating Reaffirmed	Simple
Total	**10.00 (Rupees Ten Crore Only)**				

Details of Facilities/Instruments are in Annexure 1. Facility wise lender details are at Annexure 2. Detailed explanation of covenants is at Annexure 3.

Detailed Rationale:

Infomerics Ratings has reaffirmed rating to the bank facilities of Dia Precious Jewellery Private Limited (DPJPL). The ratings derive comfort from extensive experience of promoters, strong financial risk profile strong profitability. The ratings are however constrained by risk of fluctuating demand as DPJPL deals with luxury watches and jewellery whose demand is often links to discretionary spending of the consumer, moderate scale of operations and highly competitive market

Infomerics has maintained the stable Outlook as Infomerics believes that DPJPL continue to benefit from experienced management and financial risk profile is expected to remain moderate through FY26-FY28.

Key Rating Sensitivities:

Upward Factors:

- Significant improvement in scale of operations with improvement in profitability.

Downward Factors:

- Sustain decline in revenue and/or profitability
- Elongation in the working capital cycle leading to deterioration in liquidity position.

Key Rating Drivers with detailed description:

Key Rating Strengths:

- **Experienced promoter**:
DPJPL is promoted by Mr. Anoop Mehta, Ms. Devaunshi Mehta and Mr. Chetan Mehta are having more than four decades of experience in the gold and jewellery industry. Mr. Anoop Mehta is also director in Mohit Diamonds Private Limited (rated IVR BBB-/Stable/IVR A3, PR dated June 12, 2025).

- **Strong debt protection metrics and financial risk profile**
DPJPL maintains a strong financial risk profile, marked by a healthy tangible net worth and has no external debt as on 31st March 2025 (P). The debt protection metrics with Total Outside Liabilities to Tangible Net Worth (TOL/TNW) ratio remained strong and at 0.10x as of March 31, 2025 (P), (31st March 2024: 0.30x) as of March 31, 2024. DPJPL interest coverage ratio remained strong and at 57.24x at the end of FY25 (P) (FY24:46.99x) due to lower utilization of working capital utilization.

- **Strong profitability**
DPJPL profitability remained strong with and at 11.89% at the end of FY25 (FY24:11.95%) with stable margins on trading on watches. PAT margins also remained strong and at 8.18% at the end of FY25 (FY24:10.45%) with stable operating profitability. DPJPL has reported EBITDA margins and PAT margins of 4.15% and 2.31% respectively at the end of 1QFY26.
The company's operating income declined by approximately 4%, standing at Rs. 127.28 crore in FY25 compared to Rs. 132.94 crore in FY24. This decrease is primarily attributed to a drop in watch trading, which accounts for around 85% of total sales, with the remainder coming from jewellery. Additionally, FY24 was an exceptional year for silver sales, further contributing to the year-over-year difference.
The company’s profitability, as indicated by the EBITDA margin, remained stable at 11.89% in FY25 compared to 11.95% in FY24. However, the PAT margin declined to 8.18% in FY25 from 10.45% in FY24, primarily due to an excess tax provision made in the previous year, which led to a lower tax outflow in FY24 compared to FY25.

Key Rating Weaknesses

- **Moderate scale of operations:**
  DPJPL scale of operations remained moderate with revenue of Rs.127.28 crore during FY25 (P) (FY24:132.94 crore) a declined of 4% due to lower quota of Rolex watches during FY25. DPJPL has reported revenue of Rs.23.39 crore during 1QFY26 and revenue is expected to be lower than FY25 due to lower quota of Rolex watches allotted to the company.

- **Risk of fluctuating demand being a discretionary demand**
  The company's performance is directly dependent on demand fluctuations, which mainly rely on discretionary consumer spending as well as overall market sentiments. Demand in the retail business also remains prone to regulatory headwinds such as changes in Government policies regarding taxation. Further, the company is exposed to competition from domestic players and international markets in the retail business.

- **Highly competitive market:**
  DPJPL operates in a highly competitive and fragmented industry. Although a leading brand in watches, it operates in a market where the risk of obsolescence is high and its products have to be consistently innovative to keep up with the pace of the market. It faces competition from a large number of organised as well as unorganised players. The company's ability to compete, and constantly innovate and evolve with precise marketing strategies will remain crucial to mitigate the stiff competition in both online and offline marketing channels.

Analytical Approach: Standalone Approach

Applicable Criteria:

Criteria of assigning Rating Outlook

Rating Methodology for Trading Companies.

Financial Ratios & Interpretation (Non-Financial Sector)

Policy on Default Recognition

Complexity Level of Rated Instruments/Facilities

Liquidity – Adequate

The liquidity position of the company is expected to remain adequate as the company is expected to generate steady cash accruals as they don't have debt repayment obligation. However, its working capital limits remained moderate as the utilisation stood at ~21.26% during the past twelve months ended April 2024.

About the Company

Incorporated in 2000 DPJPL established its store, at The Taj Mahal Palace and Tower Hotel, Mumbai, for trading in luxury watches & jewellery. Ms. Devaunshi Mehta and Mr. Anoop Mehta are the directors of the company.

DPJPL is engaged in trading of Swiss luxury brand watches viz: Rolex & Tudor. It has in house jewellery making facilities for making traditional Indian design sets with a contemporary look. The collection consists of necklaces, earrings, rings & bracelets.

Financials:

(Rs. crore)

For the year ended/* As On	31-03-2024	31-03-2025
	Audited	Provisional
Total Operating Income	132.94	127.28
EBITDA	15.89	15.14
PAT	14.02	10.46
Total Debt	7.62	0.00
Adjusted Tangible Net-worth	53.76	64.20
EBITDA Margin (%)	11.95	11.89
PAT Margin (%)	10.45	8.18
Overall Gearing Ratio (x)	0.14	0.00
Interest Coverage	46.99	57.24

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: Not Applicable

Rating History for last three years:

Sr. No.	Name of Security/Facilities	Current Ratings (Year 2025-2026)			Rating History for the past 3 years		
		Type (Long Term/Short Term)	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2024-2025	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022
					Date (July 08, 2024)	-	-
1.	Long term Bank Facilities	Long Term	10.00	IVR BBB-/Stable	IVR BBB-/Stable	-	-

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About Infomerics:

Infomerics Valuation and Rating Ltd (Infomerics) [Formerly Infomerics Valuation and Rating Pvt. Ltd] was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

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facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.

Annexure 1: Details of Facilities:

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. crore)	Rating Assigned/ Outlook
Cash Credit	-	-	-	10.00	IVR BBB-/ Stable

Annexure 2: Facility wise lender details:
https://www.infomerics.com/admin/prfiles/len-DiaPrecious-sep25.pdf
Annexure 3: Detailed explanation of covenants of the rated Security/facilities: Not Applicable

Annexure 4: List of companies considered for consolidated/Combined analysis: Not Applicable
Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.