

Goldiam International Ltd (GIL) delivered a strong operational and financial performance in Q3FY26, aided by festive season demand in the US and the continued transition towards lab-grown diamond (LGD) jewelry. Consolidated revenues grew 14% YoY to ₹3.2 bn, despite the overhang of higher US tariffs. Growth was supported by increased wallet share from existing customers, rising online contribution, and timely execution of the US-origin casting model, which helped limit tariff-related impact.

LGD jewelry continued to drive growth, contributing 90.5% of overall Q3FY26 revenue (vs 80% in Q3FY25), highlighting GIL's successful transition to an LGD-dominant business model. Online sales contribution increased to 31.6% in Q3FY26 (vs 27.8% in Q3FY25), reflecting deeper penetration across digital channels.

Order book stood at ~₹1.8 bn as of Dec'25, executable over the next 3–4 months. ORIGEM, the domestic lab-grown diamond retail brand, reported revenue of ₹56.5 mn in Q3FY26, with 12 operational stores across Mumbai, Noida, Delhi, Chandigarh, and Bengaluru. The company has signed Letter of Intents (LOIs) for 20 additional stores and plans to expand to ~24–26 operational stores by current financial year.

Key financial highlights

- Revenue at Rs3,197 mn, +14% YoY / +66% QoQ
- EBITDA (Excl OI) at RS707 mn, +13% YoY / +85% QoQ
- PAT: ₹684 mn, +37% YoY; / +118% QoQ
- Gross Margin came in at 31.6% vs 31.5% YoY/33.3% QoQ
- EBITDA Margin (Excl OI) came in at 22.1% vs 22.4% YoY/19.9% QoQ
- PAT Margins came in at 20.1% vs 17.3% YoY/15.5% QoQ

Financial Summary

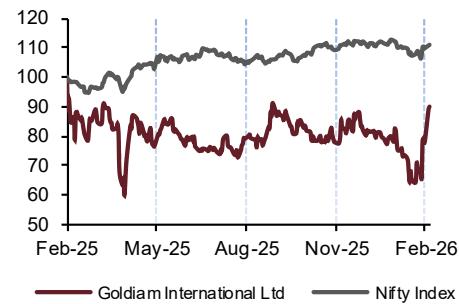
Y/E Mar (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e	FY28e
Net sales	4,060	6,877	5,332	6,029	7,810	10,076	11,496	12,975
EBIDTA	783	1,302	1,040	1,143	1,595	2,056	2,347	2,683
Margins	19.3	18.9	19.5	19.0	20.4	20.4	20.4	20.7
PAT (adj)	511	1,052	844	910	1,172	1,828	1,915	2,129
Growth (%)	48.1	58.0	-19.6	6.7	28.8	56.0	4.8	11.2
EPS	5.50	9.65	7.75	8.52	10.97	16.17	16.95	18.84
P/E (x)	62	36	44	40	31	21	20	18
P/B (x)	8	7	6	6	5	4	4	3
EV/EBITDA (x)	45	27	34	29	21	17	14	12
RoE (%)	12	21	15	15	17	22	20	19
ROCE (%)	18	30	21	20	25	30	26	25
RoIC (%)	26	34	25	28	25	37	35	34

Source : Company, Dalal & Broacha Research

Rating	TP (Rs)	Up/Dn %
BUY	470	15
Market Data		
Current price	Rs	409
Market Cap (Rs.Bn)	(Rs Bn)	46
Market Cap (US \$ Mn)	(US \$ Mn)	511
Face Value	Rs	2
52 Weeks High/Low	Rs	503.95 / 251.35
Average Daily Volume	('000)	8,959
BSE Code		501111
Bloomberg		GLDM.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Dec-25	Sep-25
Promoters	58.51	58.41
Public	41.49	48.49
Total	100.00	100.00

Source: BSE

US-Origin Casting Model

Goldiam has implemented a U.S.-origin casting model via its U.S. subsidiary, with raw gold cast into unfinished jewelry in the U.S. to establish "U.S. Product of Origin" under U.S. Customs rulings. This significantly reduces the net impact of elevated U.S. tariffs while creating domestic employment in the U.S. Subsequent value-added processes such as polishing and diamond setting continue in India. The model is globally compliant and supports margin protection and business continuity.

ORIGEM – Domestic Retail Expansion

ORIGEM is scaling up its B2C presence with 13 operational stores and a clear expansion roadmap in place. The planned addition of 12–14 stores by March 2026, taking the network to ~24–26 stores, reflects management's confidence in demand for lab-grown diamond jewelry. The parallel push on e-commerce strengthens the omnichannel strategy and should support brand visibility and growth in India's accessible luxury market.

B2B Exports & Realisations

LGD jewelry realisations stood at USD 811 in Q3FY26 (vs USD 672 in Q3FY25), while mined diamond jewelry realisations were at USD 468 (vs USD 448 in Q3FY25). Despite moderation in LGD realisations, volumes remained robust, supported by higher acceptance of LGD jewelry across global retailers. Inventory remained largely risk-mitigated, with ~65% held on consignment with customers and only ~6% allocated to B2C inventory.

Order Book Update: Healthy Visibility for Next 3–4 Months

The consolidated order book stood at ~₹1.8 bn as of December 31, 2025, providing execution visibility over the next 3–4 months. Despite the ongoing U.S. tariff overhang, order flows remained stable, supported by festive season demand and the implementation of the U.S. casting / product-of-origin model, which mitigates tariff impact. E-commerce orders, being fulfilled on a spot basis, continue to remain incremental to the reported order book.

Valuation & Outlook

We believe GIL is well placed to benefit from the structural shift towards lab-grown diamond jewelry across both export and domestic markets, supported by its established relationships with global retailers and increasing penetration within clients. The company's debt-free balance sheet, strong cash position, and interim dividend of ₹2.75 per share (FV ₹2) highlight its financial strength, enabling it to fund retail expansion and manage near-term business volatility in a disciplined manner. Despite ongoing uncertainty around U.S. tariffs, the timely rollout of the U.S.-origin casting model and a focus on higher-value LGD jewelry have helped limit tariff impact and earnings risk. Improving order book visibility, rising online contribution, and the ongoing scale-up of ORIGEM underpin medium-term earnings visibility.

At current levels, GIL trades at a reasonable valuation relative to its growth profile. We value the company at **25x FY28E EPS of ₹18.8, arriving at a target price of ₹470, implying ~15% upside from current levels.**

Conference Concall KTAs

Order Book & Visibility

- Order book of ~₹1.8 billion provides 3–4 months of visibility, while e-commerce orders are spot-based and incremental to the core order book.
- Management indicated that order inflows remain strong, with no slowdown observed due to tariff uncertainty.
- Q3 revenue lumpiness was seasonal, driven by US festive demand (Thanksgiving and Christmas).

India Retail Venture - Origem Lab Diamonds

- ORIGEM reported an operating loss of ~₹2.5 crore in Q3FY26, primarily due to rapid store expansion and upfront operating costs.
- The company currently has 13 operational stores and plans to reach ~24–26 stores by FY26-end, with an additional ~50 stores planned in H1FY27.
- Average inventory per store is maintained at ₹2.7–2.8 crore, with total investment (inventory + fit-out + deposits) at ~₹3.7–3.8 crore per store. Store-level performance is targeted to breakeven at the store level, with mature stores (3+ years) expected to generate ₹40–45 lakh monthly sales.
- ORIGEM will expand its product range across entry-level, mid-range, and premium VVS/EF collections, including testing 14kt and selective 9kt jewelry to address wider price points and be competitive

Other KTAs

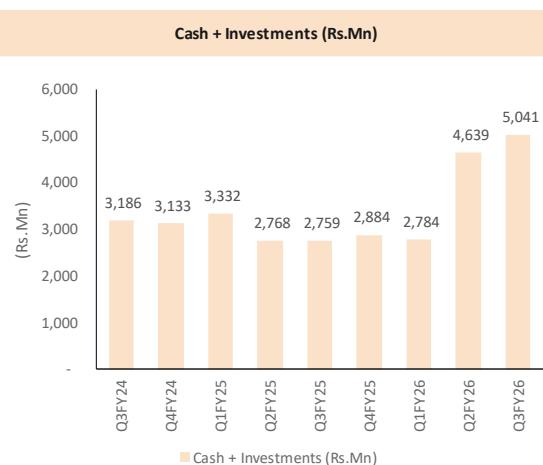
- **LGD prices have bottomed out and stabilized**, with smaller sizes seeing firmness due to rising global demand; procurement costs are ₹8,000–10,000 per carat, while higher jewelry ASPs are driven by product mix and gold prices.
- Management highlighted rising wallet share with existing US retailers, continued geographic expansion across the Middle East, Europe, Israel, and Australia, and order consolidation in favor of larger, dependable vendors.
- The LGD retail market remains under-penetrated, leaving ample room for multiple players to scale. While Titan's BEYON is priced at ₹22,000–28,000 per carat with limited certification and no exchange/buyback offering, ORIGEM differentiates through IGI-certified VS-quality diamonds, buyback/exchange options, and a wider product ladder, ranging from entry-level fashion jewelry to high-end VVS diamonds offered at competitive, industry-leading prices.
- Under the recent trade agreement, loose gems (lab-grown and natural) attract zero import duty into the US, while jewelry import tariffs have been reduced from 50% to 18%.

Quarterly Financials

(Rs.Mn)	Q3FY26	Q3FY25	YoY Growth (%)	Q2FY26	QoQ Growth (%)
Revenue from Operations	3,197	2,796	14%	1,928	66%
Other Income	200	83	140%	91	120%
Total RM Cost	2,187	1,916	14%	1,287	70%
Gross Profit	1,011	880	15%	641	58%
Employee Benefits Expense	116	93	24%	108	7%
Other Expenses	188	162	16%	150	25%
Total Expenses	2,490	2,171	15%	1,545	61%
EBITDA (Excluding Other Income)	707	625	13%	383	85%
Depreciation and Amortisation Expenses	20	16	24%	17	19%
EBIT / PBIT	888	692	28%	458	94%
Finance Costs	2	1	310%	1	172%
EBT/ PBT	886	692	28%	457	94%
Tax Expense	202	194	4%	143	41%
Adjusted PAT	684	498	37%	314	118%
Adj Earning Per Share	6.06	4.66	30%	2.85	113%
Margins (%)			(In bps)		(In bps)
Gross Margins	31.6%	31.5%	13	33.3%	-165
EBITDA Margins (Excl Other Income)	22.1%	22.4%	-23	19.9%	224
PAT Margins	20.1%	17.3%	285	15.5%	460
Tax rate	22.8%	28.1%	-530	31.4%	-858
As a % to sales					
RM as a % to sales	68.4%	68.5%		66.7%	
EE Cost as a % to sales	3.6%	3.3%		5.6%	
Other exps as a % to sales	5.9%	5.8%		7.8%	
Key Operational Metrics			(In bps)		(In bps)
Lab-grown diamond jewellery mix (%)	90.5%	79.7%	1080	90.0%	50
Online sales revenue mix (%)	31.6%	27.8%		20.0%	
Retail Sales of Origem (Rs.Mn)	-	-		28.0	
Order Book (Rs.Mn)	1,800	1,750	3%	2,000	-10%
Cash Balance (Rs.Mn)	5,041	2,759	83%	4,639	9%

Source: Dalal & Broacha Research





Source: Dalal & Broacha Research, Company

Financials

P&L (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e	FY28e
Net Sales	4,060	6,877	5,332	6,029	7,810	10,076	11,496	12,975
Operating Expenses	-2,717	-4,865	-3,528	-4,086	-5,116	-6,801	-7,702	-8,694
Employee Cost	-159	-269	-243	-257	-384	-464	-576	-647
Other Expenses	-401	-441	-520	-543	-714	-755	-871	-951
Operating Profit	783	1,302	1,040	1,143	1,595	2,056	2,347	2,683
Depreciation	-36	-54	-74	-61	-63	-70	-64	-65
PBIT	747	1,248	966	1,082	1,532	1,986	2,283	2,619
Other income	72	246	211	139	197	461	282	232
Interest	-5	-8	-3	-0	-4	-4	-4	-5
PBT	814	1,486	1,175	1,221	1,725	2,442	2,561	2,846
Profit before tax	972	1,486	1,175	1,221	1,725	2,442	2,561	2,846
Provision for tax	-301	-427	-323	-312	-554	-615	-645	-717
Profit & Loss from	-	-	-	-	-	-	-	-
Reported PAT	671	1,060	852	909	1,171	1,827	1,915	2,129
MI	-61	-8	-8	1	1	1	-	-
Owners PAT	610	1,052	844	910	1,172	1,828	1,915	2,129
Adjusted Profit	511	1,052	844	910	1,172	1,828	1,915	2,129

Balance Sheet (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e	FY28e
Equity capital	222	218	218	214	214	226	226	226
Reserves	4,426	4,981	5,639	6,091	7,187	8,740	10,369	12,178
Net worth	4,648	5,199	5,857	6,305	7,401	8,966	10,595	12,404
MI	165	61	65	50	51	50	49	49
Non Current Liabilities	22	47	67	65	211	304	429	592
Current Liabilities	1,301	1,014	1,060	923	1,273	1,427	1,545	1,675
TOTAL LIABILITIES	6,136	6,322	7,048	7,343	8,936	10,747	12,618	14,721
Non Current Assets	828	651	668	583	678	747	817	926
Fixed Assets	412	402	406	402	414	390	335	281
Right of Use Assets	-	-	27	48	185	278	403	566
Financial Assets	395	220	189	61	46	46	46	46
Deferred Tax Asset	-	-	25	13	6	6	6	6
Advances	20	30	21	58	28	28	28	28
Assets	-	-	-	-	-	-	-	-
Current Assets	5,308	5,671	6,380	6,761	8,258	10,000	11,801	13,795
Current investments	1,798	1,181	1,190	1,624	1,018	1,043	1,070	1,097
Inventories	1,072	1,769	2,483	2,226	3,884	3,865	4,409	4,977
Trade Receivables	1,292	1,787	1,473	1,427	1,501	1,932	2,205	2,488
Cash and Bank Balances	916	866	1,189	1,448	1,820	3,124	4,081	5,196
Advances	208	47	18	32	31	31	31	31
Other Financial Assets	-	-	-	-	-	-	-	-
Other Current Assets	23	21	27	4	3	4	5	6
TOTAL ASSETS	6,136	6,322	7,048	7,343	8,936	10,747	12,618	14,721

Cashflow (Rs mn)	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e	FY28e
PBT	972	1,486	1,175	1,221	1,725	2,442	2,561	2,846
Depreciation	36	54	74	61	63	70	64	65
Net Chg in WC	-103	-1,090	-197	169	-1,426	-258	-698	-721
Taxes	-254	-382	-382	-315	-380	-615	-645	-717
Others	-160	-167	-18	-65	-111	3	4	4
CFO	491	-98	652	1,070	-129	1,642	1,285	1,477
Capex	-303	-36	-92	-66	-75	-8	-9	-11
Net Investments made	-35	956	65	-263	696	-26	-26	-27
Others	221	29	10	54	11	-	-	-
CFI	-117	950	-18	-276	632	-33	-36	-38
Change in Share capital	-5	-456	-	-327	-	12	-	-
Change in Debts	148	-198	-27	-	86	-	-	-
Div. & Div Tax	-147	-139	-284	-128	-217	-278	-292	-324
Others	-	-110	-0	-80	-	-38	-1	-
CFF	-3	-902	-311	-535	-131	-304	-292	-324
Total Cash Generated	370	-50	323	259	372	1,304	957	1,115
Cash Opening Balance	546	916	866	1,189	1,448	1,820	3,124	4,081
Cash Closing Balance	916	866	1,189	1,448	1,820	3,124	4,081	5,196
Ratios	FY21	FY22	FY23	FY24	FY25	FY26e	FY27e	FY28e
GPM	33.1	29.3	33.8	32.2	34.5	32.5	33.0	33.0
OPM	19.3	18.9	19.5	19.0	20.4	20.4	20.4	20.7
NPM	12.4	14.8	15.2	14.8	14.6	17.3	16.3	16.1
Tax rate	-31.0	-28.7	-27.5	-25.5	-32.1	-25.2	-25.2	-25.2
Growth Ratios (%)								
Net Sales	11.4	69.4	-22.5	13.1	29.5	29.0	14.1	12.9
Operating Profit	76.7	66.2	-20.1	9.9	39.5	28.8	14.2	14.4
PBIT	78.6	67.1	-22.6	12.0	41.5	29.6	15.0	14.7
PAT	48.1	58.0	-19.6	6.7	28.8	56.0	4.8	11.2
Per Share (Rs.)								
Net Earnings (EPS)	5.50	9.65	7.75	8.52	10.97	16.17	16.95	18.84
Cash Earnings (CPS)	5.83	10.15	8.43	9.09	11.56	16.79	17.52	19.41
Dividend	8.00	3.60	2.00	1.20	1.65	2.43	2.54	2.83
Book Value	41.92	47.71	53.74	59.03	69.30	79.35	93.76	109.77
Free Cash Flow	2.46	-1.73	4.58	9.53	-3.62	11.48	9.50	11.53
Valuation Ratios								
P/E(x)	62	36	44	40	31	21	20	18
P/B(x)	8	7	6	6	5	4	4	3
EV/EBIDTA(x)	45	27	34	29	21	17	14	12
Div. Yield(%)	2.33	1.05	0.58	0.35	0.48	0.71	0.74	0.82
FCF Yield(%)	0.72	-0.50	1.33	2.78	-1.05	3.35	2.77	3.36
Return Ratios (%)								
ROE	12%	21%	15%	15%	17%	22%	20%	19%
ROCE	18%	30%	21%	20%	25%	30%	26%	25%
RoIC	26%	34%	25%	28%	25%	37%	35%	34%

Source: Dalal & Broacha Research, Company

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