IPO Report

MainBoard IPO

Shankesh Jewellers Limited

Consumer Discretionary

Price Band: ₹88 to ₹93 per share
Bidding: 18 Aug to 20 Aug, 2026
Listing At: BSE, NSE
Listing Date: Aug 25, 2026

Details of the Issue

Lead Manager	Aryaman Financial Services Ltd. & Smart Horizon Capital Advisors Pvt. Ltd.
Registrar	Kfin Technologies Ltd.

Promoters Holding (%)

Pre-Issue	95.48
Post-Issue	69.53

Offer Structure

QIB	Not more than 50%
Retail	Not less than 35%
NII	Not less than 15%
Fresh Issue	2,94,82,000 shares
Offer for sale	1,00,00,000 shares
Total Issue	₹367.18 Cr

Financial Summary (₹ in Millions)

Particular	FY26	FY25	FY24
Revenue	16,307.87	14,038.26	10,617.83
EBITDA	1,579.00	653.47	285.99
PAT	1,066.81	403.12	128.16

Minimum Application

Category	Lots	Shares	Amount
Retail	1-13	160-2080	₹14,880-₹1,93,440
S-HNI	14-67	2,240-10,720	₹2,08,320-₹9,96,960
B-HNI	68	10,880	₹ 10,11,840

Customer concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 1 Customer	6.12	6.45	5.35
Top 5 Customer	23.26	19.91	19.77
Top 10 Customer	39.56	30.48	30.62

Valuations

NAV(FY'26)	17.82
EPS(FY'26)	9.09
P/E(Pre Issue)	10.23

Promoters

Kantilal Kheemraj Jain, Mahavir Kantilal Jain and Manoj Kantilal Jain.

Company Overview

Shankesh Jewellers Limited specialises in customised handcrafted 22K and 18K gold jewellery with a diverse product range. It follows an asset light model, working with local karigars and jobworkers while managing design, sourcing and delivery in house. The company serves reputed jewellery brands across India and has established strong client relationships. Its key strengths include experienced management, quality focus, wide product range and an established marketing network.

Object of the Issue

- Repayment and/or pre-payment, in full or part, of certain borrowings availed by the company: ₹1,580.00 millions
- Funding working capital requirements of the company: ₹380.00 millions
- General Corporate Purposes

Price Band Analysis

At the upper price band of ₹93, the IPO is valued at a post issue P/E of 12.81x and P/B of 5.22x, indicating a fair valuation. While the valuation does not appear significantly expensive, its sustainability will depend on the company's ability to maintain healthy business performance and earnings going forward. If the company continues to perform well, the current valuation could be sustained over the long term.

Peer Comparison (As of FY26)

CompanyName	EPS (₹)	P/E	RONW (%)	NAV (₹)
Shankesh Jewellers Ltd.	9.09	10.23	50.97	17.82
Shanti Gold International Ltd.	21.22	10.04	23.42	83.00
Sky Gold & Diamonds Ltd.	18.06	34.86	23.37	77.80

Risk Measures:

- The Company relies entirely on 66 third party Jobworkers and skilled Karigars for jewellery manufacturing, without fixed or long term contracts. These parties may discontinue or refuse services, leading to production delays, higher manufacturing costs and potential impact on operations and profitability.
- The Company handles high value gold jewellery, with inventory losses possible from theft, fraud or transit damage. It has Jewellers Block Protector insurance of ₹476.25 crore, valid up to October 28, 2026, but coverage may not fully compensate for losses. No material theft or inventory loss was reported in the last three fiscals, but future incidents could impact financial performance and customer trust.

Investment Rationale:

- Revenue from operations increased 16.17% YoY to ₹16,307.87 million in FY26, from ₹14,038.26 million in FY25, primarily due to higher gold selling prices. However, gold quantity processed declined 27.8% to 1,397.48 kg from 1,935.92 kg, indicating that growth was price led rather than volume led. This also makes the business sensitive to gold price volatility, as any correction in gold prices could negatively impact inventory value, revenue growth and profitability.
- The company's gold intensive business requires high working capital, with inventory at ₹239.96 crore in FY26. ₹38 crore is being allocated towards incremental working capital, while ₹158 crore towards debt repayment is expected to largely eliminate existing debt and reduce interest costs. However, inventory turnover declined from 8.69x to 6.80x and inventory days increased from 42 to 54 days, indicating slower inventory movement and higher capital tied up in stock, which could increase liquidity needs and impact cash flows if inventory remains slow moving.
- High and volatile gold prices may increase jewellery prices and reduce customer demand, resulting in lower sales volumes. The company may also face challenges in fully passing on higher gold costs to customers, which could put pressure on margins. Consequently, sustained increases in gold prices may adversely affect the company's revenue, profitability and cash flows.

Financials (₹ in Millions, Except for Percentage & Ratios)

Particular	FY26	FY25	FY24
Revenue From Operations	16,307.87	14,038.26	10,617.83
EBITDA	1,579.00	653.47	285.99
EBITDA Margin (%)	9.68	4.65	2.69
PAT	1,066.81	403.12	128.16
PAT Margin (%)	6.54	2.87	1.21
Return on Equity (RoE%)	50.94	40.08	21.26
Return on Capital Employed (RoCE%)	41.57	26.28	16.46
EPS	9.09	3.44	1.09
Debt to Equity Ratio	0.81	1.45	1.82

Client Wise Revenue Bifurcation (₹ in Millions)

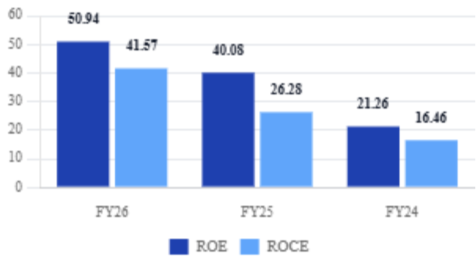
Particulars	FY26	FY25	FY24
Corporate Client	10,477.04	7,833.79	5,848.58
Non-Corporate Client	5,830.83	6,204.47	4,769.25
Total	**16,307.87**	**14,038.26**	**10,617.83**

About The Founder

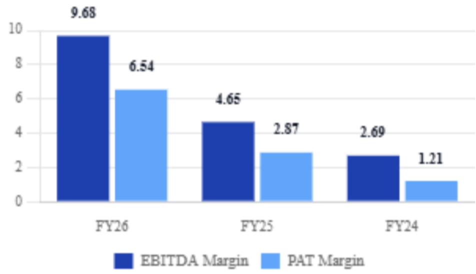
Kantilal Kheemraj Jain is the Chairman and Non Executive Director of the Company and one of its Promoters. He has been serving as Chairman and Non Executive Director since September 10, 2025, and has been associated with the Company since its incorporation. He has over 32 years of experience in the jewellery sector and is responsible for managing client relationships, driving new business growth, and overseeing the Company's operations.

FINANCIAL HIGHLIGHTS

Return Ratios



EBITDA and PAT Margin



Key Ratios: