M. K. SONS FINE JEWELS LIMITED

October 26, 2026

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	Jewellery
Offer for sale (Shares)	3,400,000
Fresh Issue (Shares)	13,600,000
Net Offer to the Public	17,000,000
Issue Size (Rs. Cr.)	260-275
Price Band (Rs.)	153-162
Offer Date	28-Oct-26
Close Date	30-Oct-26
Face Value	10
Lot Size	91

Issue Composition

	In shares
Total Issue for Sale	**17,000,000**
QIB	8,500,000
NIB	2,550,000
Retail	5,950,000

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	100.00%	69.80%
QIB	0.00%	15.10%
NIB	0.00%	4.53%
Retail	0.00%	10.57%
Total	**100.00%**	**100.00%**

*calculated on the upper price band

Objects of the Issue

The Company proposes to utilise the Net Proceeds from the Issue towards the following objects:

1. Funding expenditure towards setting up of 1 new showroom in Maharashtra ("New Showroom") and expansion of existing showroom in Gujarat ("Expansion")
2. Repayment and/or pre-payment, in full or part, of certain borrowings availed by the Company
3. General Corporate Purposes

Book Running Lead Manager

- Aryaman Financial Services Ltd.

Name of the registrar

- Bigshare Services Pvt.Ltd.

About the company

M. K. Sons Fine Jewels Limited is a retail jewellery company selling gold, diamond, colour-stone, platinum, silver and cubic zirconia jewellery through its own showrooms. Established in 2012, the company operates five showrooms across Mumbai and Ahmedabad, Maharashtra and Gujarat, with a combined operational area of 6,513 square feet as of 30 June 2026. Its collections include contemporary and bridal designs, targeting customers who value craftsmanship, jewellery purity and personalised service. The company sources inventory through suppliers primarily located in Maharashtra and Gujarat and sells BIS-hallmarked jewellery. Its business expanded significantly following the acquisition of the promoter's proprietorship, M. K. Sons Jewellers, in March 2025. The company is now planning further retail expansion using IPO proceeds.

Strengths

Multi-Collection Jewellery Portfolio Catering to Diverse Consumer Segments: M. K. Sons Fine Jewels offers a diversified portfolio of jewellery through 11 distinct collections designed to cater to different customer segments, occasions, design preferences and price points. Its portfolio includes gold, diamond and cubic zirconia (CZ) jewellery, covering traditional, contemporary, daily-wear, bridal, festive and premium categories. Key collections include Pavitra, featuring religious jewellery; Rivaaz, focused on mangalsutras; Nayaab, offering 18-carat gold and CZ jewellery; RR Classics, catering to men; Sitaare, specialising in diamond jewellery; and NAQSH, featuring antique-style 22-carat gold designs. Other collections include Charm Chime, Petite, Sunehre Gold, Ra Ra Ru and One & Only. This product diversity enables the company to address varied customer budgets, occasions and preferences while periodically refreshing designs in line with changing trends.

Targeted Marketing and Promotional Activities to Enhance Brand Recall: The company follows a combination of traditional advertising, digital marketing, promotional schemes and in-person customer engagement to strengthen brand visibility. It promotes its products through newspapers, magazines, outdoor hoardings and social media platforms, including Instagram, Facebook, Pinterest and YouTube. The company began posting jewellery designs on Instagram in 2016 and has since developed a digital presence to engage customers and showcase its collections. As disclosed in the RHP, it had more than 591,000 Instagram followers, 76,800 YouTube subscribers and 43,000 Pinterest followers. Its promotional initiatives include the "Pink Tag" sale, discounts on selected products and concessions on making charges. During FY26, the company also participated in 16

exhibitions and conducted in-store events to engage customers directly. These initiatives are intended to improve brand recall, attract new buyers, encourage repeat purchases and support inventory turnover.

Founder-Led Company Supported by an Experienced Management Team: The company benefits from the experience and leadership of its promoters, particularly Ramchand Raimalani, Chairman and Managing Director, who has more than 25 years of experience in the gems and jewellery industry across operations, business development and customer relationships. The promoters' industry understanding and established customer relationships have supported the company's business development and expansion. Its key managerial personnel and senior management team collectively bring more than 40 years of experience across various industries. As of September 30, 2026, the company had 148 permanent employees working across its business functions. The combination of promoter-led leadership, experienced management and a professional workforce provides an operational foundation for managing its existing showrooms and pursuing its proposed expansion plans.

Commitment to Quality and Customer Satisfaction: M. K. Sons Fine Jewels places emphasis on product quality, purity, design and customer satisfaction. The company deals in gold jewellery certified under the hallmarking standards prescribed by the Bureau of Indian Standards (BIS). Its diamond jewellery is accompanied by certification from recognised gemological laboratories, including the International Gemological Institute (IGI) and/or the Gemological Institute of America (GIA), as applicable. It also undertakes quality checks to verify jewellery specifications and prioritises designs based on customer requirements. The company's focus on quality assurance and customer service is intended to build trust and support repeat business. Its product-return ratio, as disclosed in the RHP, declined from 1.20% of revenue from operations in FY24 to 0.97% in FY25 and 0.41% in FY26, before standing at 0.48% for the three months ended June 30, 2026. This trend indicates a lower proportion of product returns relative to sales over the reported periods, although the latest quarterly figure was slightly higher than FY26.

Strong Financial Results: The company has reported substantial growth in revenue and profitability over FY24-FY26. Revenue from operations increased from Rs. 217.32 crore in FY24 to Rs. 351.28 crore in FY25 and Rs. 538.74 crore in FY26. EBITDA rose from Rs. 12.87 crore to Rs. 38.57 crore and Rs. 82.94 crore, respectively, while profit after tax increased from Rs. 8.17 crore in FY24 to Rs. 23.26 crore in FY25 and Rs. 51.80 crore in FY26. EBITDA margin improved from 5.92% in FY24 to 15.39% in FY26, while PAT margin rose from 3.76% to 9.61%. The company also reported a debt-to-equity ratio of 0.41 in FY26, compared with 0.59 in FY25. These figures reflect stronger reported profitability and improved margins, although the sustainability of growth will depend on inventory management, working-capital requirements and the performance of the expanded showroom network.

Strategy

Strengthen Capital Structure and Support Inventory-Led Expansion for New Showrooms: M. K. Sons Fine Jewels plans to expand its retail presence by

establishing one new showroom in Ulhasnagar, Maharashtra, and expanding an existing showroom on C. G. Road in Ahmedabad, Gujarat. The strategy requires additional inventory to provide an adequate selection of jewellery across product categories and meet customer demand at the proposed and expanded outlets. Under the objects of the offer, the company proposes to allocate Rs. 152.84 crore towards inventory for the planned showroom expansion and Rs. 30 crore towards repayment or prepayment of certain outstanding borrowings. The proposed deployment is intended to improve product availability, support store-level sales, strengthen the capital structure and prepare the business for further growth. Execution will depend on timely showroom expansion, effective inventory deployment and the ability of the new and expanded outlets to generate sufficient sales.

Capture Opportunities in the Growing Jewellery Industry: The company intends to capitalise on the growth of India's gold jewellery market and the gradual shift towards organised retailers offering branded and hallmarked products. According to the industry information cited in the RHP, India's gold jewellery retail market grew from Rs. 3,74,020 crore in CY20 to Rs. 5,73,160 crore in CY25, representing a CAGR of 8.9%, and is projected to reach Rs. 9,55,110 crore by CY30. The company plans to use its operational capabilities, supplier relationships and existing customer connections to pursue opportunities arising from rising demand, formalisation and changing consumer preferences. It also intends to participate in jewellery exhibitions to develop business relationships, expand its customer base and monitor market trends. Product selection aligned with regional preferences and customer requirements is expected to remain central to this strategy.

Further Strengthen Market Position by Expanding the Store Network in Existing Clusters: M. K. Sons Fine Jewels plans to deepen its presence in western India, particularly in Maharashtra and Gujarat, by expanding in markets where it already operates and evaluating other suitable locations. The proposed expansion includes a new showroom at Ulhasnagar in Maharashtra and an expansion of its existing showroom on C. G. Road in Ahmedabad. Its approach focuses on selecting locations in high-density residential areas serving lower-middle-income, middle-income and aspiring upper-middle-income consumers. The company also intends to evaluate new markets that match its brand positioning and offer favourable growth prospects. By expanding around existing clusters, it aims to improve brand visibility, reach more customers and leverage its operating and supplier relationships. The success of this strategy will depend on location selection, regional product preferences, competitive pricing, staffing and the sales performance of the new and expanded stores.

Key Risk Factors

- A large share of revenue comes from Gujarat, particularly the CG Road showroom in Ahmedabad, so disruption or weaker sales at these locations could materially affect performance.
- The proposed use of IPO funds has not been independently appraised by a bank or financial institution, and delays or changes in deployment could affect planned expansion and debt repayment.

- The company generally does not have long-term definitive agreements with suppliers, so supply disruptions or unfavourable procurement terms could affect product availability and profitability.
- The need to maintain substantial jewellery inventory ties up funds and may require continued borrowing, exposing the company to liquidity and interest-cost pressures.
- Competition from organised jewellery chains and local jewellers, together with changing designs and customer preferences, could affect sales, pricing and margins.

Peer comparison:

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Senco Gold	9659.79	570.80	34.83	8.87	2.01	153.37	5	308.90	5062.90
T B Z	3419.79	213.72	32.03	21.04	5.37	125.60	10	674.05	4497.98
PNGS Reva Diamo.	520.82	95.02	-ve	-ve	3.89	162.53	10	632.25	2004.13
Motisons Jewel	509.83	66.72	0.59	25.42	2.78	5.40	1	15.00	1706.26
M. K. Sons Fine Jewels Limited	**538.74**	**51.80**	**9.20**	**17.60**	**2.26**	**71.66**	**10**	**162.00**	**911.91**

*Peer companies financials are TTM based

***M. K. Sons Fine Jewels Ltd are based on FY26

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs. 162, the stock is priced at pre issue P/E of 13.35x on FY2026 EPS of Rs. 12.13. Post issue, the stock is priced at a P/E of 17.60x on its EPS of Rs. 9.20. Looking at the P/B ratio at Rs. 162 pre issue, book value of Rs. 42.88 of P/Bvx 3.78x. Post issue, book value of Rs. 71.66 of P/Bvx 2.26x.

Considering the P/E valuation, on the lower end of the price band of Rs. 153, the stock is priced at pre issue P/E of 12.61x on FY 2026 EPS of Rs. 12.13. Post issue, the stock is priced at a P/E of 16.63x on its EPS of Rs. 9.20. Looking at the P/B ratio at Rs. 153 pre issue, book value of Rs. 42.88 of P/Bvx 3.57x. Post issue, book value of Rs. 71.66 of P/Bvx 2.14x.

Industry overview

India's gems and jewellery industry contributes approximately 7% of national GDP and 15% of merchandise exports, according to the industry information cited in the RHP. The domestic retail gems and jewellery market was valued at Rs. 7,204 billion, equivalent to Rs. 7,20,400 crore, in CY2025, having grown at a 10.6% CAGR between CY2020 and CY2025. It is projected to reach Rs. 12,783.9 billion, or Rs. 12,78,390 crore, by CY2030, implying a 12.2% CAGR. Growth drivers include rising disposable incomes, urbanisation, cultural demand, higher gold prices and increasing preference for branded, hallmarked jewellery. However, the industry remains fragmented, competitive and sensitive to gold prices, consumer spending, inventory funding and changing fashion preferences.

Outlook

M. K. Sons Fine Jewels has reported strong revenue and profit growth, supported by diversified jewellery collections and an established presence in Mumbai and

Ahmedabad. Proposed expansion in Maharashtra and Gujarat could support future growth. However, geographic concentration, inventory of Rs.275.23 crore, a 333-day inventory holding period and inconsistent operating cash flows remain key concerns. Effective inventory management, successful showroom expansion and improved cash conversion will be critical to sustaining profitability and controlling borrowing requirements.

An Indicative timetable in respect of the Issue is set out below:

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Wed, Oct 28, 2026
IPO Close Date	Fri, Oct 30, 2026
Tentative Allotment	Mon, Nov 2, 2026
Initiation of Refunds	Mon, Nov 2, 2026
Credit of Shares to Demat	Mon, Nov 2, 2026
Tentative Listing Date	Wed, Nov 4, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 30-Jun-26 (3 Months)	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)
Revenue from operations	101.44	538.74	351.28
Total expenditure	78.02	455.80	312.71
Operating Profit	**23.42**	**82.94**	**38.57**
OPM%	23.09	15.39	10.98
Other Income	0.01	0.12	0.04
Total Net Income	23.43	83.06	38.61
Interest	1.89	7.33	5.40
PBDT	**21.53**	**75.73**	**33.20**
Depreciation	1.25	4.20	1.18
PBT	**20.29**	**71.53**	**32.03**
Tax	5.27	19.73	8.76
PAT	**15.02**	**51.80**	**23.26**

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 30-Jun-26	As on 31-Mar-26	As on 31-Dec-25
Non-current assets			
Property, plant and equipment	5.04	5.35	4.22
Right-of-use assets	7.50	5.74	0.54
Other intangible assets	0.06	0.03	0.06
Other financial assets (non-current)	0.57	0.49	0.47
Deferred tax assets (net)	0.51	0.51	0.11
Total Non-Current Assets	**13.68**	**12.12**	**5.40**
Current assets			
Inventories	275.23	256.43	205.70
Financial Assets			
Cash and cash equivalents	1.96	5.50	2.79
Trade receivables	3.18	1.02	1.21
Other financial assets (current)	1.13	0.97	0.96
Other current assets	10.49	7.17	3.57
Total current assets	**292.00**	**271.08**	**214.23**
Total Assets	**305.68**	**283.21**	**219.64**
LIABILITIES			
Non-current liabilities			
Non-current borrowings	27.88	25.44	20.08
Non-current lease liability	4.32	3.55	0.55
Provisions (non-current)	0.86	0.75	0.57
Total non-current liabilities	**33.06**	**29.74**	**21.19**
Current liabilities			
Financial liabilities			
Current borrowings	42.65	43.00	48.86
Trade payables - micro/small enterprises	2.09	2.09	0.00
Trade payables - other creditors	10.71	13.00	21.57
Current lease liability	3.51	2.47	0.04
Other financial liabilities	0.99	2.50	3.02
Provisions (current)	1.11	0.38	0.28
Other current liabilities	5.23	4.65	3.37
Current tax liabilities (net)	23.28	17.36	5.07
Total current liabilities	**89.58**	**85.45**	**82.21**
Total liabilities	**122.64**	**115.19**	**103.40**
Net worth represented by:			
Equity Share Capital	42.69	42.69	8.54
Other equity	140.35	125.32	107.70
Total Equity	**183.04**	**168.01**	**116.24**

RANKING METHODOLOGY

WEAK	★
NEUTRAL	★ ★
FAIR	★ ★ ★
GOOD	★ ★ ★ ★
EXCELLENT	★ ★ ★ ★ ★

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