SHANKESH JEWELLERS LIMITED

August 13, 2026

SMC Ranking

★★☆☆☆ (2/5)

Issue Highlights

Industry	Jewellery
Offer for sale (Shares)	10,000,000
Fresh Issue (Shares)	29,482,000
Net Offer to the Public	39,482,000
Issue Size (Rs. Cr.)	347-367
Price Band (Rs.)	88-93
Offer Date	18-Aug-26
Close Date	20-Aug-26
Face Value	5
Lot Size	160

Issue Composition

	In shares
Total Issue for Sale	39,482,000
QIB	19,741,000
NIB	5,922,300
Retail	13,818,700

Shareholding Pattern (%)

Particulars	Pre-issue	Post -issue
Promoters & promoters group	95.48%	69.53%
QIB	4.52%	17.04%
NIB	0.00%	4.03%
Retail	0.00%	9.40%
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. Repayment/pre-payment, in full or part, of certain borrowings
2. Funding working capital requirements
3. General Corporate Purposes

Book Running Lead Manager

- Aryaman Financial Services Limited
- Smart Horizon Capital Advisors Private Limited
-

Name of the registrar

- KFIN Technologies Limited

About the company

Incorporated in 2005, Shankesh Jewellers Limited is engaged in manufacturing and supplying customised handcrafted gold jewellery, specialising in 22-karat and 18-karat products. Its diverse portfolio includes bangles, bridal jewellery, chokers, jhumkas, necklace sets, mangalsutras, rings and other jewellery designs across antique, semi-antique, Calcutta, temple, gheru polish, and yellow, rodium and rose gold categories. Its Clientele includes both corporate entities such as Joyalukkas India Limited, P. N. Gadgil & Sons Limited, Kalyan Jewellers India Limited, P N Gadgil Jewellers Limited, Manoj Vaibhav Gems 'N' Jewellers Limited, Novel Jewels Limited (Aditya Birla Group), Bhima Jewellery Madurai, Hari Prasad Gopi Krishna Saraf Private Limited, D.P Abhushan Limited, Vysyaraju Jewellers Private Limited, Gajaananda Jewellery Mart India Private Limited, Arundhati Jewellers Pvt. Ltd. amongst others and Non-corporate entities such as Verma Jewellers and Sham Jewellers amongst others. The Company follows an asset-light operating model, engaging skilled karigars and jobworkers while managing design, material sourcing and delivery internally. It serves corporate and non-corporate clients across India, including established jewellery retailers. The Company also undertakes custom jobwork using client-supplied bullion and designs. All jewellery is BIS-hallmarked in accordance with applicable regulations. As of May 31, 2026, the Company had 46 permanent employees and 72 associated jobworkers.

Strength

Long-standing experience and established promoter-led management: Shankesh Jewellers Limited benefits from a legacy of more than three decades in the hand-crafted jewellery business. Promoter Kantilal Kheemraj Jain began dealing in hand-crafted gold jewellery in 1992, while Manoj Kantilal Jain and Mahavir Kantilal Jain bring around two decades of industry experience collectively. Their knowledge of jewellery manufacturing, customer preferences, product design and business development provides the Company with established industry relationships and execution capabilities. The promoters collectively held 74.25% of the pre-issue share capital. The experienced management team is expected to support the Company in identifying market opportunities and navigating competition and gold-price volatility.

Asset-light business model: Shankesh Jewellers Limited operates primarily through an asset-light business model, outsourcing jewellery manufacturing to skilled Karigars engaged through Jobworkers instead of maintaining its own manufacturing infrastructure. This enables the Company to reduce capital expenditure requirements and avoid significant costs related to manufacturing facilities, maintenance and depreciation. The model also provides flexibility in responding to changing customer requirements and

demand patterns. By concentrating on design, sourcing, inventory management, customization and quality control, the Company can focus its resources on higher-value activities. Its network of Jobworkers allows it to access specialized craftsmanship while maintaining operational flexibility and supporting pan-India customer servicing.

Strong network of Jobworkers and skilled Karigars: A significant strength of Shankesh Jewellers Limited is its established network of skilled Jobworkers and Karigars. During Fiscal 2026, the Company was associated with 72 Jobworkers, of which 66 had entered into agreements prescribed by the Company, providing access to multiple Karigars. These artisans possess specialized skills in different forms of hand-crafted jewellery. The Company works closely with Jobworkers to monitor quality, design specifications and delivery requirements. This network allows Shankesh Jewellers Limited to offer customized products and respond efficiently to client requirements without owning manufacturing facilities. The Company also continues to enhance its design capabilities and craftsmanship.

Wide product portfolio and customization capabilities: Shankesh Jewellers Limited offers a broad portfolio of hand-crafted gold jewellery, covering both traditional and contemporary requirements. Its offerings include bangles, bridal jewellery, chokers, jhumkas, long and short necklace sets, mangalsutras, rings and combined jewellery sets. Products are available in categories such as antique, semi-antique, Calcutta, temple, Gheru polish, yellow gold, rhodium and rose gold jewellery. The Company also provides customized jewellery based on customer specifications. This broad portfolio enables clients to source multiple jewellery categories from a single supplier, supporting procurement efficiency and strengthening the Company's relevance among wholesale and corporate customers.

Established customer relationships and marketing network: Shankesh Jewellers Limited has developed relationships with several established corporate and non-corporate jewellery businesses. Its corporate clientele includes prominent jewellery companies such as Joyalukkas, P. N. Gadgil, Kalyan Jewellers, Bhima Jewellers and other established players. The Company emphasizes product quality, timely delivery, design confidentiality and customer-specific requirements. Its sales and marketing team works under the supervision of the promoters and contributes to customer acquisition, retention and product development. The Company's customer base includes repeat customers as well as new customers, reflecting its established market relationships. Such relationships provide a foundation for recurring business and support long-term revenue growth.

Strong financial growth: Shankesh Jewellers Limited has demonstrated significant growth in revenue from operations over the reported period. Revenue increased from Rs. 10,617.83 million in Fiscal 2024 to Rs. 14,038.26 million in Fiscal 2025 and further to Rs. 16,307.87 million in Fiscal 2026. The Company's basic EPS also increased from Rs. 1.09 in Fiscal 2024 to Rs. 3.44 in Fiscal 2025 and Rs. 9.09 in Fiscal 2026. This improvement indicates strong growth in the Company's earnings performance during the period. The increasing contribution from 18-karat jewellery and job-work activities also reflects the Company's ability to expand its revenue base.

Commitment to quality and customer satisfaction: Shankesh Jewellers Limited places significant emphasis on product quality, hallmarking and customer

satisfaction. The Company deals in jewellery certified under BIS hallmarking requirements and undertakes quality checks before delivering products to customers. Its designers work according to customer specifications, while the Company conducts multiple verification rounds for jewellery manufactured through Jobworkers. This combination of design capability, skilled craftsmanship and quality control helps the Company address varied customer requirements. The Company also emphasizes timely delivery and design confidentiality, which are important factors in maintaining relationships with corporate jewellery clients and supporting repeat business.

Strategy

Capturing opportunities in the growing jewellery industry: Shankesh Jewellers Limited intends to capitalize on the long-term growth opportunity in India's gold jewellery market. According to the CareEdge data cited in the RHP, India's domestic gold jewellery industry was valued at approximately Rs. 7,907.7 billion in CY25 and is expected to grow at a CAGR of 11.4% between CY25 and CY30 to approximately Rs. 13,575.8 billion. The Company expects rising middle-class incomes, urbanization and increasing purchasing power to support jewellery demand. Its B2B model and relationships with organized jewellery companies position it to benefit from the expansion of organized retail and increasing demand for customized hand-crafted jewellery.

Expanding the design portfolio and customization capabilities: The Company intends to continuously expand its product and design portfolio to address changing customer preferences and market trends. Shankesh Jewellers Limited offers traditional and contemporary categories across 22-karat and 18-karat jewellery and provides customization based on specific client requirements. Its designers monitor consumer lifestyles, aspirations, preferences and fashion trends and work closely with Karigars to translate designs into finished products. The Company believes that introducing new designs aligned with evolving market preferences can help attract new customers, increase sales opportunities and strengthen relationships with existing clients. Continuous design development is therefore an important element of its strategy for sustaining competitiveness in the hand-crafted jewellery market.

Retaining existing customers and acquiring new clients: Customer retention and acquisition remain important components of Shankesh Jewellers Limited's growth strategy. The Company has established long-term relationships with several corporate and non-corporate jewellery businesses by offering diverse designs, customization, quality products and timely delivery. It intends to deepen these relationships while identifying opportunities to add new customers. The Company served 418 customers in Fiscal 2026, including 334 repeat customers and 84 new customers. Its established marketing team, direct involvement of promoters and understanding of customer requirements are expected to support customer engagement. Strengthening the customer base can help improve recurring business and provide a broader platform for revenue growth.

Augmenting fund-based capacity and reducing debt dependence: Another stated strategy of Shankesh Jewellers Limited is to augment its fund-based capacities and reduce dependence on debt, with the objective of creating long-term shareholder value and scaling up operations. The strategy is particularly relevant for the jewellery business because substantial working capital is required for gold procurement and

inventory management. Improving financial capacity can provide greater flexibility in sourcing raw materials, servicing customers and supporting business expansion. At the same time, reducing dependence on debt can potentially lower financial pressure and improve the Company's ability to manage fluctuations in gold prices and working-capital requirements. The Company intends to use its financial resources to support sustainable business growth.

Continuing investment in marketing and brand building: Shankesh Jewellers Limited plans to continue investing in marketing and brand-building initiatives to strengthen its market presence and customer relationships. Its existing sales and marketing team plays an important role in maintaining relationships, understanding market trends and developing new designs. The Company emphasizes quality, timely delivery, design confidentiality and value-added propositions as part of its customer proposition. As organized jewellery companies expand their presence across India, stronger marketing relationships can enable the Company to deepen its B2B customer base and potentially increase business from existing clients. Continued marketing efforts are therefore expected to complement its product-development and customer-retention initiatives.

Key Risk Factors

- A significant portion of revenue comes from a limited number of customers. Losing a major customer could affect sales.
- The Company does not have its own manufacturing facilities and depends on Jobworkers for production.
- The Company depends on a limited number of suppliers for important raw materials.
- The jewellery business requires significant funds for inventory and raw material procurement.
- Dependence on outsourced production may affect the Company's ability to control production capacity and delivery schedules

Peer Comparison

Company	Total Sales	PAT	EPS	P/E	P/BV	BV	FV	Price	Mcap
Sky Gold & Diam.	7176.44	335.02	21.63	36.01	10.07	77.39	10	778.90	12063.13
Shanti Gold	2018.72	160.52	18.26	12.49	2.51	90.99	10	228.00	1749.66
Shankesh Jewellers Limited	1630.79	106.68	7.26	12.82	2.83	32.89	5	93.00	1367.39

*Peer companies financials are TTM based

*** Shankesh Jewellers Limited financials are based on FY26

Valuation:

Considering the P/E valuation, on the upper end of the price band of Rs.93, the stock is priced at pre issue P/E of 10.25x on FY2026 EPS of Rs.9.08. Post issue, the stock is priced at a P/E of 12.82x on its EPS of Rs. 7.26. Looking at the P/B ratio at Rs.93 pre issue, book value of Rs.17.82 of P/Bvx 5.22x. Post issue, book value of Rs.32.89 of P/Bvx 2.83x.

Considering the P/E valuation, on the lower end of the price band of Rs.88, the stock is priced at pre issue P/E of 9.70 x on FY 2026 EPS of Rs. 9.08. Post issue, the stock is

priced at a P/E of 12.13x on its EPS of Rs. 7.26. Looking at the P/B ratio at Rs. 88 pre issue, book value of Rs. 17.82 of P/Bvx 4.94x. Post issue, book value of Rs.32.89 of P/Bvx 2.68x.

Industry Overview

India's gems and jewellery industry benefits from strong cultural demand, rising disposable incomes, urbanization and the growing middle-income population. Gold jewellery remains important for weddings, festivals, personal adornment and wealth preservation. According to the CareEdge data cited in the RHP, India's domestic gold jewellery market was valued at Rs. 7,907.7 billion in CY25 and is expected to reach Rs. 13,575.8 billion by CY30, representing an 11.4% CAGR. The industry is also witnessing formalization through BIS hallmarking and GST compliance, supporting organized players. However, high gold prices, working-capital requirements, changing consumer preferences, competition, synthetic alternatives and seasonal demand remain key challenges.

Outlook

Shankesh Jewellers Limited has a positive growth outlook, supported by its established B2B customer relationships, asset-light operating model, experienced promoters, wide product portfolio and strong hand-crafted jewellery capabilities. The expected expansion of India's organized jewellery market could create additional opportunities. However, sustained growth will depend on managing gold-price volatility, working capital, customer concentration and Jobworker dependence. Continued investment in designs, customer relationships, marketing and financial capacity should remain important for future performance.

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

EVENT	INDICATIVE DATE (On or about)
IPO Open Date	Wed, Aug 12, 2026
IPO Close Date	Fri, Aug 14, 2026
Tentative Allotment	Mon, Aug 17, 2026
Initiation of Refunds	Tue, Aug 18, 2026
Credit of Shares to Demat	Tue, Aug 18, 2026
Tentative Listing Date	Wed, Aug 19, 2026

Annexure

Consolidated Financials

Profit & Loss

Rs. in Cr.

Particulars	Period ended 31-Mar-26 (12 Months)	Period ended 31-Mar-25 (12 Months)	Period ended 31-Mar-24 (12 Months)
Revenue from operations	1630.79	1403.83	1061.78
Total expenditure	1472.89	1338.48	1033.18
Operating Profit	157.90	65.35	28.60
OPM%	9.68	4.65	2.69
Other Income	0.14	0.11	0.12
Total Net Income	158.04	65.46	28.72
Interest	13.34	10.58	10.65
PBDT	144.70	54.88	18.07
Depreciation	1.31	0.84	0.84
PBT	143.39	54.03	17.23
Tax	36.71	13.72	4.42
Profit & Loss	106.68	40.31	12.82

Balance sheet is on next page

Balance Sheet

Rs. in Cr.

Particulars	As on 31-Mar-26	As on 31-Mar-25	As on 31-Mar-24
Non-current assets			
Property Plant & Equipment	2.53	3.36	1.16
Right-of-Use Assets	0.48	0.72	1.18
Capital Work in Progress	12.50	0.00	0.00
Financial assets			
Others financial assets	0.17	0.31	0.28
Deferred Tax Assets (net)	0.42	0.36	0.34
Other non current assets	1.02	1.00	0.00
Total non-current assets	**17.11**	**5.75**	**2.96**
Current asset			
Inventories	239.96	161.58	131.43
Financial Assets			
Investments	0.48	0.40	0.00
Trade receivables	126.42	78.88	39.85
Cash and cash equivalents	0.03	0.02	0.17
Loans	0.03	0.02	0.06
Other financial assets	19.75	2.90	2.60
Total current assets	**386.65**	**243.81**	**174.11**
Total Assets	**403.76**	**249.56**	**177.07**
Non-current liabilities			
Financial liabilities			
Lease Liabilities	0.29	0.55	0.79
Long Term Provisions	0.33	0.30	0.23
Total Non- Current liabilities	**0.62**	**0.84**	**1.02**
Current liabilities			
Financial Liabilities			
Borrowings	167.30	144.84	108.58
Lease Liabilities	0.26	0.24	0.45
Trade Payables			
- Total outstanding dues of MSME	0.31	0.00	0.00
- Total outstanding dues of creditors other than MSME	2.70	0.67	0.09
Other financial liabilities (other than those specified in item	0.91	0.44	0.31
Other current liabilities	15.67	1.05	6.18
Short Term Provision	0.16	0.14	0.12
Current tax liabilities (net)	6.43	0.74	0.04
Total - Current Liabilities	**193.72**	**148.12**	**115.76**
Total Liabilities	**194.33**	**148.96**	**116.78**
Net worth represented by:			
Equity share capital	58.78	9.77	2.79
Other equity	150.65	90.83	57.50
Total Equity	**209.43**	**100.60**	**60.29**

RANKING METHODOLOGY

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

E-mail: smc.care@smcindiaonline.com

Corporate Office:
11/6B, Shanti Chamber,
Pusa Road, New Delhi - 110005
Tel: +91-11-30111000
www.smcindiaonline.com

Mumbai Office:
Lotus Corporate Park, A Wing 401 / 402 , 4th Floor , Graham Firth Steel Compound, Off Western Express Highway, Jay Coach Signal, Goreagon (East) Mumbai - 400063
Tel: 91-22-67341600, Fax: 91-22-67341697

Kolkata Office:
18, Rabindra Sarani, Poddar Court, Gate No-4,
5th Floor, Kolkata - 700001
Tel.: 033 6612 7000/033 4058 7000
Fax: 033 6612 7004/033 4058 7004

SMC Global Securities Ltd. (hereinafter referred to as "SMC") is regulated by the Securities and Exchange Board of India ("SEBI") and is licensed to carry on the business of broking, depository services and related activities. SMC is a registered member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, MSEI (Metropolitan Stock Exchange of India Ltd) and M/s SMC Comtrade Ltd is a registered member of National Commodity and Derivative Exchange Limited and Multi Commodity Exchanges of India and other commodity exchanges in India. SMC is also registered as a Depository Participant with CDSL and NSDL. SMC's other associates are registered as Merchant Bankers, Portfolio Managers, NBFC with SEBI and Reserve Bank of India. It also has registration with AMFI as a Mutual Fund Distributor.

SMC is a SEBI registered Research Analyst having registration number INH100001849. SMC or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities market. SMC or its associates or its Research Analyst or his relatives do not hold any financial interest in the subject company interest at the time of publication of this Report. SMC or its associates or its Research Analyst or his relatives do not hold any actual/beneficial ownership of more than 1% (one percent) in the subject company, at the end of the month immediately preceding the date of publication of this Report. SMC or its associates its Research Analyst or his relatives does not have any material conflict of interest at the time of publication of this Report.

SMC or its associates/analyst has not received any compensation from the subject company covered by the Research Analyst during the past twelve months. The subject company has not been a client of SMC during the past twelve months. SMC or its associates has not received any compensation or other benefits from the subject company covered by analyst or third party in connection with the present Research Report. The Research Analyst has not served as an officer, director or employee of the subject company covered by him/her and SMC has not been engaged in the market making activity for the subject company covered by the Research Analyst in this report.

The views expressed by the Research Analyst in this Report are based solely on information available publicly available/internal data/ other reliable sources believed to be true. SMC does not represent/ provide any warranty expressly or impliedly to the accuracy, contents or views expressed herein and investors are advised to independently evaluate the market conditions/risks involved before making any investment decision. The research analysts who have prepared this Report hereby certify that the views /opinions expressed in this Report are their personal independent views/opinions in respect of the subject company.

Disclaimer: This Research Report is for the personal information of the authorized recipient and doesn't construe to be any investment, legal or taxation advice to the investor. It is only for private circulation and use. The Research Report is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. No action is solicited on the basis of the contents of this Research Report. The Research Report should not be reproduced or redistributed to any other person(s)in any form without prior written permission of the SMC. The contents of this material are general and are neither comprehensive nor inclusive. Neither SMC nor any of its affiliates, associates, representatives, directors or employees shall be responsible for any loss or damage that may arise to any person due to any action taken on the basis of this Research Report. It does not constitute personal recommendations or take into account the particular investment objectives, financial situations or needs of an individual client or a corporate/s or any entity/s. All investments involve risk and past performance doesn't guarantee future results. The value of, and income from investments may vary because of the changes in the macro and micro factors given at a certain period of time. The person should use his/her own judgment while taking investment decisions. Please note that SMC its affiliates, Research Analyst, officers, directors, and employees, including persons involved in the preparation or issuance if this Research Report: (a) from time to time, may have long or short positions in, and buy or sell the securities thereof, of the subject company(ies) mentioned here in; or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company(ies) discussed herein or may perform or seek to perform investment banking services for such company(ies) or act as advisor or lender/borrower to such subject company(ies); or (c) may have any other potential conflict of interest with respect to any recommendation and related information and opinions. All disputes shall be subject to the exclusive jurisdiction of Delhi High court.