SJ

SHANKESH JEWELLERS LIMITED

Retail   Mainboard

Rs. 88 - 93

18 Aug 2026 - 20 Aug 2026

Issue size	Earnings per share
—	**Rs. 9.09** issuer disclosed

WHAT STANDS OUT

Profit not converting to cash - Operating cash flow is 0% of profit after tax. Less than half of reported profit arrived as cash — usually receivables or inventory build.

Strong revenue growth - Revenue compounded 24% a year over 2 years. Revenue compounding above 20% a year.

WHAT THE COMPANY DOES

Shankesh Jewellers Limited is a B2B hand-crafted gold jewellery company based in Mumbai's Zaveri Bazaar with a pan-India presence. The company specializes in hand-crafted gold jewellery, offering bangles, bridal sets, chokers, jhumkas, rings, mangalsutras, and more across diverse categories and finishes, operating on an asset-light model by outsourcing manufacturing to third-party job workers.

The company acts as a principal contractor, managing the design, material sourcing, and finished jewellery-making process, outsourcing the actual production to job workers.

PROMOTER HOLDING

74.3% before > — after

AGAINST LISTED PEERS

Company	P/E	Revenue	Source
Shanti Gold International Limited	10.0x	Rs. 2,019 cr	p.131
Sky Gold & Diamonds Limited	34.9x	Rs. 6,295 cr	p.131
Industry average	22.4x	—	issuer

Figures as printed in the offer document. This page does not say whether that is expensive or cheap. That judgement is yours.

FINANCIALS, RS. CRORE

	FY 2024	FY 2025	FY 2026	2Y CAGR
Revenue	1,062	1,404	1,631	**+23.9%**
EBITDA	29	65	158	—
Profit after tax	13	40	107	**+188.5%**
Net worth	60	101	209	—
Total debt	109	145	167	—

READING THESE NUMBERS AS RETAIL

What actually diagnoses this business: Same-store sales growth - Sales per sq ft - Store count & churn - Inventory turns.

Debt to equity
0.80x
bar set at 2x

Ind AS 116 puts every store lease on the balance sheet as a liability, which inflates debt/equity for all retailers. Strip lease liabilities before comparing against a non-retail peer.

Revenue growth
—
read with care

Growth from opening stores is not the same as growth from selling more per store. Same-store sales growth separates the two.

DOES THE PROFIT TURN INTO CASH

	FY 2024	FY 2025	FY 2026
Operating cash flow	1	-23	0
Capital expenditure	1	3	0
Financing	-0	26	12

Operating cash flow is 0% of profit after tax. The rest is sitting in receivables or inventory.

WHEN LOCKED SHARES CAN BE SOLD

Each date releases shares that could not previously be traded.

+1 months	+3 months	+18 months
Anchor, first half	**Anchor, remainder**	**Promoter**
50.0%	50.0%	20.0%

THE DOCUMENT’S OWN CASE, FOR AND AGAINST

STRENGTHS IT CLAIMS

1. Strong historical financial results. (p.206)
2. Long Term Relation with local Jobworkers for handling custom hand-crafted gold jewellery making process. (p.206)
3. Asset-Light business model. (p.207)
4. Wide product range in hand crafted gold jewellery. (p.207)
5. Commitment to Quality and Customer Satisfaction. (p.207)

RISKS IT DISCLOSES

1. Our business and the demand for our product is reliant on the success of our customers’ products with end consumers. (p.25)
2. Jewellery purchases are discretionary and often perceived as luxury purchases, which may be affected by consumer spending. (p.25)
3. A significant portion of our business operations and revenue generation is concentrated in the Top 5 states. (p.25)
4. We operate in a high-value commodity sector and there are certain security risks associated with the transit and delivery of gold jewellery. (p.25)
5. We are dependent on third party Jobworkers for the production and manufacturing of all of our products. (p.25)

Both columns are the offer document’s own words, not this page’s assessment.

THE INDUSTRY, AS THE DOCUMENT DESCRIBES IT

Market size Rs. 7,90,770 cr in CY25, forecast Rs. 13,57,580 cr by CY30, a 11.4% CAGR.

Drivers it names: Growing middle-class population and their increasing disposable income levels.; Increasing urbanisation and shift towards organised jewellery segment..

Constraints it names: Fluctuating gold prices and stringent government regulations on gold imports..

> These industry figures come from a CARE Analytics & Advisory Private Limited (CareEdge Research) report commissioned and paid for by the issuer. It is not neutral research.

Extracted from the DRHP at https://www.shankeshjewellers.com/web_assets/assets/investor-relations/2026_08_10_12_50_rhp_shankesh_jewellers_limited.pdf by gemini-3.5-flash on 2026-08-26. Figure verification was skipped. The source text was not available to check against.