IPO Note

SHRINGAR HOUSE OF MANGALSUTRA LIMITED

Sep 10th, 2025

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Details of the Issue	
Price Band	₹ 155 - ₹ 165
Issue Size	₹ 400.95 Cr
Face Value	₹ 10
Bid Lot	90
Listing on	BSE,NSE
Post Issue Mcap	₹ 489.25 Cr
Investment Range	₹ 13,950 - ₹ 14,850

Important Indicative Dates (2025)	
Opening	10 - Sep
Closing	12 - Sep
Basis of Allotment	15 - Sep
Refund Initiation	16 - Sep
Credit to Demat	16 - Sep
Listing Date	17 - Sep

Lead Manager
Choice Capital Advisor Pvt Ltd

Offer Details	
Offer Size	₹ 400.95 Cr
Fresh Issue	₹ 400.95 Cr
OFS	-

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	201	12.15	12.93	50
NII	601	3.65	3.88	15
Retail	143	8.51	9.53	35
Em-ploy.	-	-	-	-
Total	401	24.30	25.87	100

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Company Profile

Shringar House of Mangalsutra Limited, specializes in designing, manufacturing, and marketing Mangalsutras in India and abroad. The company offers a wide range of designs crafted with American diamonds, cubic zirconia, pearls, and semi-precious stones in 18k and 22k gold, catering primarily to B2B clients including corporate buyers, wholesale jewellers, and retailers. With a strong domestic presence across 24 states and 4 union territories, Shringar has also expanded internationally to the UK, New Zealand, UAE, USA, and Fiji between FY23-FY25. Its clientele includes leading names such as Malabar Gold, Titan Company, GRT Jewellers, Reliance Retail, Joyalukkas, and Damas Jewellery (UAE). As of March 31, 2025, the company has served 34 corporate clients, 1,089 wholesalers, and 81 retailers. In addition to its own designs, the company undertakes job-work manufacturing for corporate clients. It processed 1,320.72 kgs of bullion in FY25, 1,221.19 kgs in FY24, and 870.26 kgs in FY23, generating revenues of ₹264.83 million, ₹193.24 million, and ₹156.47 million, respectively. As of June 30, 2025, Shringar employed 237 people.

GEPL’s Insights & Investment Thesis:

- hringar House of Mangalsutra’s product portfolio features over 15 collections and 10,000 SKUs, which include a varied range of studded Mangalsutra with a diverse range of stones like American diamond, cubic zirconia, pearl, mother of pearl, and semiprecious stones.
- The company serves a growing base of retail, corporate, and wholesale clients, including marquee names like Malabar Gold, Titan, Reliance, Joyalukkas, PN Gadgil Jewellers, Damas Jewellery (UAE), etc.
- Based on the FY25 earnings, relative to the company's post-IPO paid up capital, the issue is priced at a P/E ratio of 26x. We believe that the issue is fairly valued compared to its peers, expanding client base, healthy financial performance, and potential ramp-up of capacity utilization in the upcoming years. Therefore, we recommend a **“Subscribe”** rating for the issue.

Business Highlights & Services

With 15+ years of operations, the company has built strong long-term relationships with leading domestic and international jewellery clients across 24 states, 4 union territories, and 5 countries, serving ~20 overseas clients in the last three fiscals. Key associations with marquee names like Malabar Gold, Titan, Reliance Retail, Aditya Birla Group, Joyalukkas, and Damas Jewellery provide revenue visibility, goodwill, and quality assurance. These established ties have driven past growth and are expected to be a key lever for sustaining future expansion.

Mangalsutra, a core wedding jewellery segment in India, is witnessing rising demand for diverse and customizable designs catering to evolving consumer lifestyles and preferences. The company addresses this with 15+ collections, 10,000+ active SKUs, and innovative offerings such as ring, bracelet, and divine Mangalsutras across varied price points. Backed by a 22 member design team, 166 in-house karigars, and third-party collaborations, it ensures scale, innovation, and trend alignment. Strong design capabilities, customization focus, and digital engagement via dedicated social media channels position the company to capture growth opportunities in this high-potential, evolving category.

The company ensures product authenticity and durability through stringent quality control, with each Mangalsutra hallmarked with a unique HUID number and tested using advanced XRF machines and steel pin detectors. A robust network of 100+ skilled karigars, including 77 under term contracts, supports scalable manufacturing under strict three-stage quality checks. Comprehensive inspection, third-party hallmarking, and advanced purity testing reinforce product reliability, strengthen client trust, and position the company as a preferred B2B partner with consistent quality assurance.

The company operates on a fully integrated B2B model, managing the entire value chain from conceptualization and design to manufacturing and sales, catering to a wide client base of corporate customers, wholesale jewellers, and retailers across 24 states and 4 union territories. Over the past three fiscals, it has expanded internationally to five countries the UK, USA, New Zealand, UAE, and Fiji while adopting a direct supply model to ensure efficiency and stronger client relationships. To accelerate growth, the company is implementing a new pan-India supply chain strategy through third-party facilitators, with 11 already engaged to target 42 identified cities, enabling deeper penetration into unserved domestic markets. Between FY23–FY25, revenue grew at a robust 22.67% CAGR, supported by a strong domestic base and growing export contributions (rising from 1.37% to 4.24% of revenue). Looking ahead, the company plans to leverage its extensive design portfolio, integrated operations, and established client relationships to expand exports, diversify revenue streams, and extend its geographical footprint. This strategy not only broadens the addressable market and enhances profitability but also mitigates risks associated with regional economic fluctuations or customer concentration.

The company is strategically positioned to benefit from the rapid formalization of India's jewellery sector, where organized players like Titan, Malabar Gold & Diamonds, Joyalukkas, Senco Gold, and Kalyan Jewellers are expanding aggressively, driving rising demand for high-quality gold jewellery. By leveraging its strong client relationships, design expertise, and customization capabilities, the company is aligned to scale alongside these brands, ensuring higher recurring sales, revenue visibility, and long-term growth. Complementing this, the company actively invests in brand-building through participation in premier B2B exhibitions such as IIJS Signature, IIJS Premiere, and GJS, along with regional buyer-seller meets, which consistently generate substantial sales orders. Memberships in industry bodies like the GJC's Preferred Manufacturers of India and the Responsible Jewellery Council further strengthen credibility. With increasing investments in marketing, celebrity endorsements, and brand promotion, the company aims to enhance visibility, deepen client engagement, and capture incremental market share, reinforcing its growth trajectory.

The company's operations are inherently working capital-intensive, driven by upfront gold purchases from banks and bullion houses against immediate payment, contrasted with 15–20 days of credit extended to clients. To scale volumes, revenues, and expand geographically, it seeks to strengthen fund-based working capital through the Issue. A robust finished goods inventory and a newly launched e-catalogue enable efficient servicing of diverse customer needs across regions. Simultaneously, the company is enhancing operational efficiency through automation, capacity utilization, and process optimization to reduce errors, minimize wastage, and lower costs. Strengthening design capabilities and expanding production capacity will further support portfolio diversification, increased output, and improved margins, ensuring scalability and sustainable growth.

Segmental wise revenue breakup

Particular	FY25			FY24			FY23		
	Count	Amount (in Cr)	%	Count	Amount (in Cr)	%	Count	Amount (in Cr)	%
Corporate Client	34	486	33.99	33	350	31.78	32	287	30.18
Retailers	1,089	779	54.47	832	596	54.13	872	498	52.46
Wholesalers	81	164	11.5	96	155	14.04	84	164	17.31
Others	-	1	0.04	-	1	0.05	-	1	0.06
Totals	**1,204**	**1,430**	**100**	**961**	**1,101**	**100**	**988**	**950**	**100**

Domestic vs Export revenue share

Particular	FY25		FY24		FY23	
	Amount (in Cr)	%	Amount (in Cr)	%	Amount (in Cr)	%
Domestic Revenue	1,410	98.59	1,080	98.03	909	95.71
Export Revenue	20	1.37	21	1.92	40	4.24
Others	1	0.04	1	0.05	1	0.06
Totals	**1,430**	**100**	**1,101**	**100**	**950**	**100**

Product Portfolio


Bridal Mangalsutra


God Edition Mangalsutra


Trendsetter Mangalsutra


Formal Mangalsutra


Santos Mangalsutra


Fancy Mangalsutra


Micro Mangalsutra


Classic Mangalsutra


FIO Mangalsutra

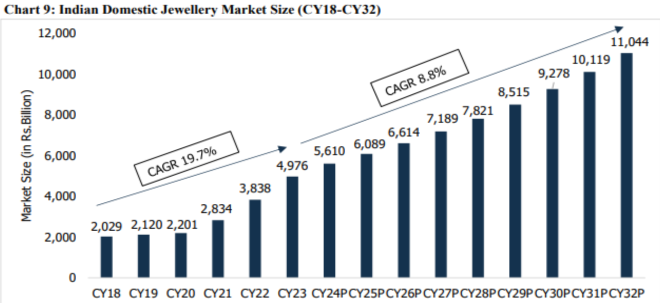

Kalki Mangalsutra


Kolkata Mangalsutra


Maharashtra Mangalsutra

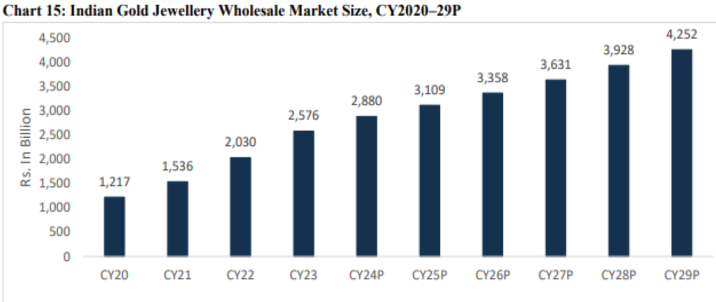
Industry Outlook

Chart 9: Indian Domestic Jewellery Market Size (CY18-CY32)



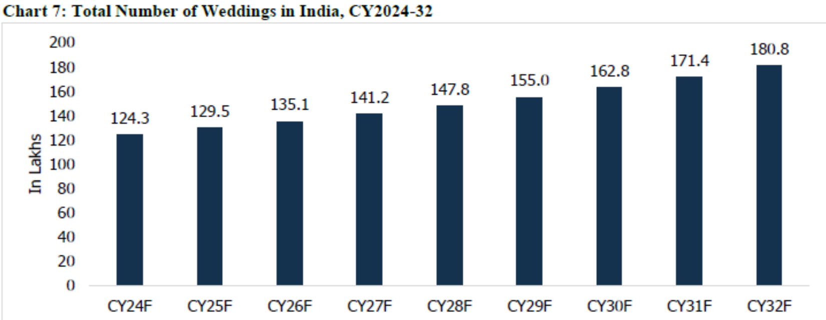
Source: IMARC Group, CareEdge Research

Chart 15: Indian Gold Jewellery Wholesale Market Size, CY2020–29P



Source: IMARC Group, CareEdge Research Analysis

Chart 7: Total Number of Weddings in India, CY2024-32



Source: IMARC Group and CareEdge Research

Peers Comparisons

Name of the company	Face Value (₹)	Total Revenue (₹ Cr)	EPS	NAV (₹)	P/E (x)	RoNW(%)
Shringar House of Mangalsutra Ltd	**10**	**1,430**	**8.57**	**27.84**	**NA**	**36.20**
Peers Group						
Utssav CZ Gold Jewels Ltd	10	646	11.63	53.23	16.85	30.94
RBZ Jewellers Ltd	10	530	9.7	61.26	13.37	17.15
Sky Golds & Diamonds Ltd	10	3,548	9.44	46.61	28.73	28.59

Company's Competitive Strength

- Established client base and long-standing relationship with the clients.
- Design innovation and diversified product portfolio.
- Integrated Manufacturing Facility.
- Quality assurance and quality control of Mangalsutras.
- Continuously improving financial performance.
- Experienced Promoters and a professional management team.

Key Strategies Implemented by Company

- Establish a supply chain network to reach untapped geographical regions.
- Grow the relationships with the existing clients and participate in their future expansions.
- Continue to invest in the marketing and brand building initiatives.
- Augment the fund based capacities in order to scale up business operations.
- Continuing focus on reducing operating costs and improving operational efficiency.

Particular (INR in Cr)	FY25	FY24	FY23
Equity Capital	721	90	90
Reserves and Surplus	1,287	1,279	968
Net Worth	2,008	1,368	1,057
Revenue	1,430	1,102	950
Growth (%)	30%	16%	
EBITDA	93	51	39
EBITDAM (%)	6.5%	4.6%	4.1%
PAT	61	31	23
PATM (%)	4.3%	2.8%	2.5%
ROCE (%)	19%	22%	32%
ROE (%)	25%	26%	36%

Notes

GEPL Capital Pvt. Ltd

Head Office: D-21/22 Dhanraj Mahal, CSM Marg, Colaba, Mumbai 400001

Reg. Office: 922-C, P.J. Towers, Dalal Street, Fort, Mumbai 400001

Research Analyst – Mr. Vidnyan Sawant | + 022-6618 27687 | vidnyansawant@geplcapital.com