

Retail Research	IPO Note
Sector: Gems & Jewellery	Price Band (Rs): 155 – 165
04 th September 2025	Recommendation: SUBSCRIBE

Shringar House of Mangalsutra Ltd.

Company Overview:

Shringar House of Mangalsutra Ltd. is engaged in designing, manufacturing and marketing a varied range of Mangalsutra in India. The company offers an extensive range of Mangalsutra featuring over 15 collections and more than 10,000 active SKUs, catering to a diverse demographics. Shringar's clientele includes corporate clients, wholesale jewellers, and retailers across 24 states and 4 union territories. Additionally, the company has international presence in the UK, New Zealand, UAE, the USA and Republic of Fiji. Company's marquee corporate clientele includes Malabar Gold, Titan, Reliance Retail, Novel Jewel, Joyalukkas, PN Gadgil Jewellers, Damas Jewellery (UAE), etc. Shringar served 34 corporate clients, 1,089 wholesalers and 81 retailers as of FY25. Company has a dedicated in-house design team with 22 designers along with 166 in-house karigars helping in end-to-end operation, from designing to manufacturing.

Key Highlights:

1. Marquee clientele: The company supplies its products to a diverse range of clients including corporate clients, wholesale jewellers and retailers across 24 states and 4 union territories. In addition to wide domestic presence, Shringar has expanded its international presence to the UK, the USA, New Zealand, UAE and the Republic of Fiji and served 20 overseas clients during FY23-25. Company has fostered long standing relationships with marquee jewellers such as Malabar Gold, Titan, Reliance Retail, Novel Jewel, Joyalukkas, PN Gadgil Jewellers, Damas Jewellery (UAE), etc. Shringar's end-to-end manufacturing helps cater to the diverse needs of the clients.

2. Diversified portfolio of Mangalsutra: Company's primary product offering includes Mangalsutra which is a vital part of Indian traditions. Its diverse portfolio of Mangalsutra includes antique, bridal, traditional, contemporary, and Indo-western styles, across various price points which helps it to cater evolving interest, lifestyles and design preference of Indian women. The company's product portfolio features over 15 collections and 10,000 SKUs which includes varied range of studded Mangalsutra with diverse range of stones like American diamond, cubic zirconia, pearl, mother of pearl and semi-precious stones.

3. Integrated manufacturing facility: Shringar's manufacturing facility spans across 8,300 sqft area with an installed capacity of 2,500 kg per annum. Company has end-to-end operations, from conceptualisation and designing to manufacturing and selling through its manufacturing facility. It employs a dedicated in-house team of 22 designers and 166 in-house karigars, which help in product innovation and customization for clients and ensure product quality. Shringar also collaborate with a network of third-party Karigars to meet growing demand.

Valuation: Shringar House of Mangalsutra has consistently grown its revenues since its commencement of business operations. It is planning to establish a pan-India supply chain model through third-party intermediaries/facilitators to tap the unpenetrated jewellery markets. For this purpose, the company has identified 42 cities and has entered into arrangements with 11 third-party facilitators. The company's business operations are working-capital intensive as it purchases gold from banks and bullion houses which require immediate payment while the clients are provided with an average credit period of ~15-20 days. As the company aims to grow its volumes and scale of operations, the working capital needs are expected to increase correspondingly. It will be using net IPO proceeds towards working capital needs. The company is likely to benefit from the rising shift from unorganised to organised sector as well as the huge addressable market size of mangalsutra. At the upper price band of Rs 165, the company is valued at post issue capital FY25 PE of 26.0x. We recommend investors to SUBSCRIBE to the issue at the cut-off price.

Issue Details	
Date of Opening	10 th September 2025
Date of Closing	12 th September 2025
Price Band (Rs)	155 - 165
Issue Size (Rs cr)	401
Fresh Issue (Rs cr)	401
No. of shares (@ upper band)	2,43,00,000
Face Value (Rs)	10
Post Issue Market Cap (Rs cr)	1,495 – 1,591
BRLMs	Choice Capital Advisors Pvt. Ltd.
Registrar	MUFG Intime India Pvt. Ltd.
Bid Lot	90 shares and in multiple thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%
Employee Discount	Rs 15

Objects of Issue	
	Estimated utilization from net proceeds (Rs cr)
Funding working capital requirements of the company	280.0
General corporate purposes*	-
Total proceeds from fresh issue*	-

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.*

Shareholding Pattern		
Pre-Issue	No. of Shares	%
Promoter & Promoter Group	7,21,31,280	100.0
Public & Others	800	0.0
Total	7,21,32,080	100.0

Post Issue @Upper Price Band	No. of Shares	%
Promoter & Promoter Group	7,21,31,280	74.8
Public & Others	2,43,00,800	25.2
Total	9,64,32,080	100.0

Source: RHP, SSL Research

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25
Revenue from Operations	950.2	1,101.5	1,429.8
EBITDA	37.8	49.6	92.3
PAT	23.4	31.1	61.1
EBITDA Margin (%)	4.0	4.5	6.5
PAT Margin (%)	2.5	2.8	4.3
ROE (%)	22.1	22.7	30.4
ROCE (%)	19.0	19.8	28.0
P/E (x)*	51.0	38.3	19.5
EV/EBITDA (x)*	33.7	26.1	14.2
P/BV (x)*	11.3	8.7	5.9
Total Debt / Equity	0.8	0.8	0.6

Source: RHP, SSL Research

*Note: Pre-issue P/E (x), P/BV (x) and EV/EBITDA (x) based on upper price band

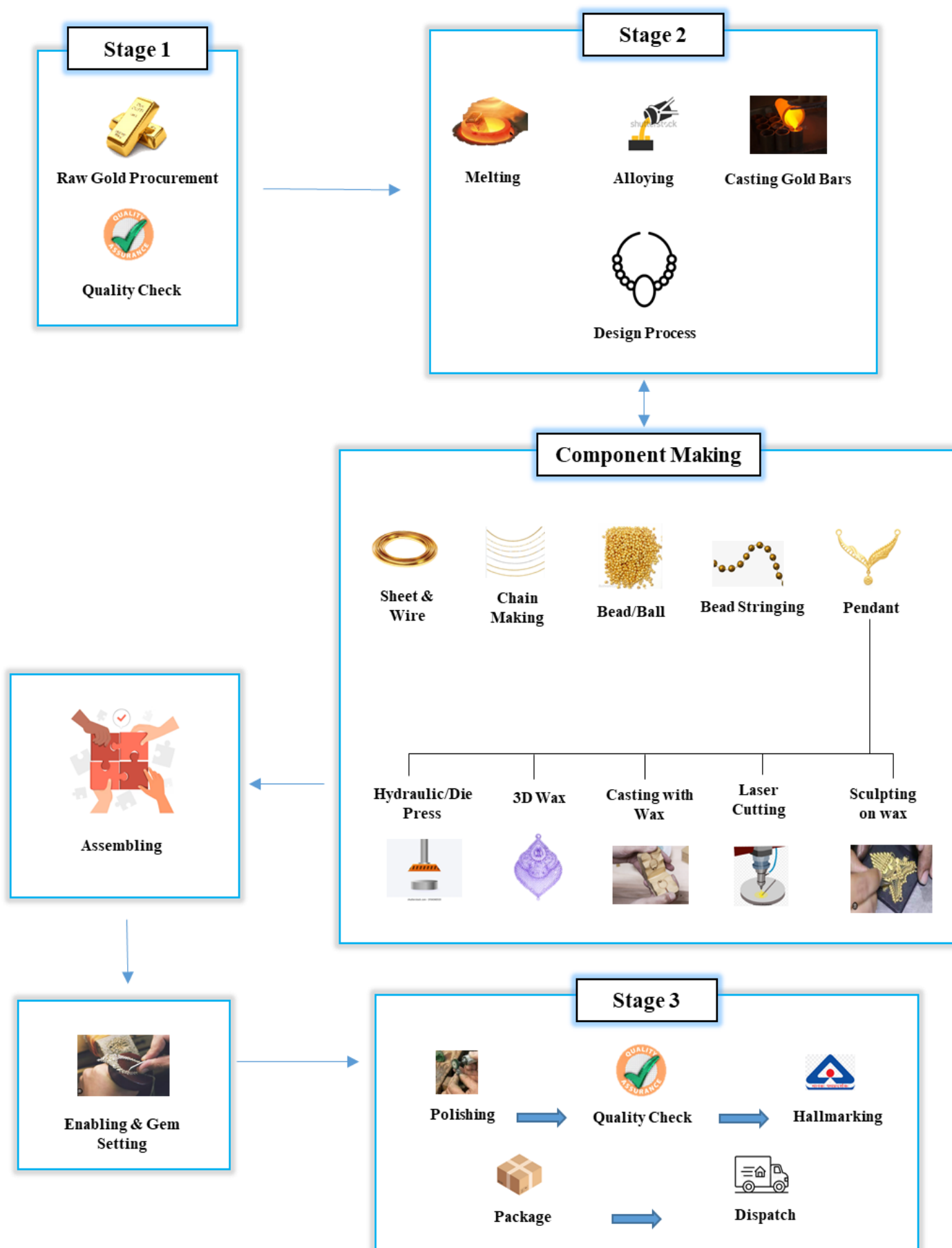
Risk Factors

- **Contract Termination:** The company derive a significant portion of its revenue from corporate clients and do not have long term contracts with these clients. Loss of any of these clients due to loss of contracts or inability to negotiate favourable terms, failure to meet their quality specification, technological changes may adversely affect revenues and profitability.
- **Concentrated Manufacturing Capability:** Shringar's manufacturing operations are dependent on a single facility which is subject to various operational risks. Any prolonged shutdown may adversely impact business operations.
- **High-Capacity Utilization:** Company's sole manufacturing facility had an average capacity utilization of ~69% during FY23-25. Inability to expand manufacturing capacity may hinder the company's ability to capitalize on demand opportunities.
- **Geographical Concentration:** The company derived ~50% of its revenue from Maharashtra in FY25. Due to the geographic concentration in Maharashtra, the operations are susceptible to local and regional factors such as economic and weather conditions, natural disasters, demographic changes, and other unforeseen events and circumstances.
- **Product Concentration:** Shringar's product portfolio solely comprises of Mangalsutra. Any changes in demand trends or reduction in sales of Mangalsutra may affect business adversely.
- **Supply Chain Disruption:** The company depend on Karigars for manufacturing of Mangalsutras. Failure to retain or engage such Karigars may adversely impact business operations.
- **High Working Capital Requirement:** Shringar is in working capital intensive business. Any significant increase in working capital days may affect business operations.

Growth Strategies

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

Manufacturing Process



Source: RHP, SSL Research

Geographical Presence



Company's International Presence

❖ United Arab Emirates



❖ New Zealand



❖ United States of America



❖ Republic of Fiji



❖ United Kingdom



Source: RHP, SSL Research

Product Portfolio



Bridal Mangalsutra



God Edition Mangalsutra



Kolkata Mangalsutra



Ring Mangalsutra



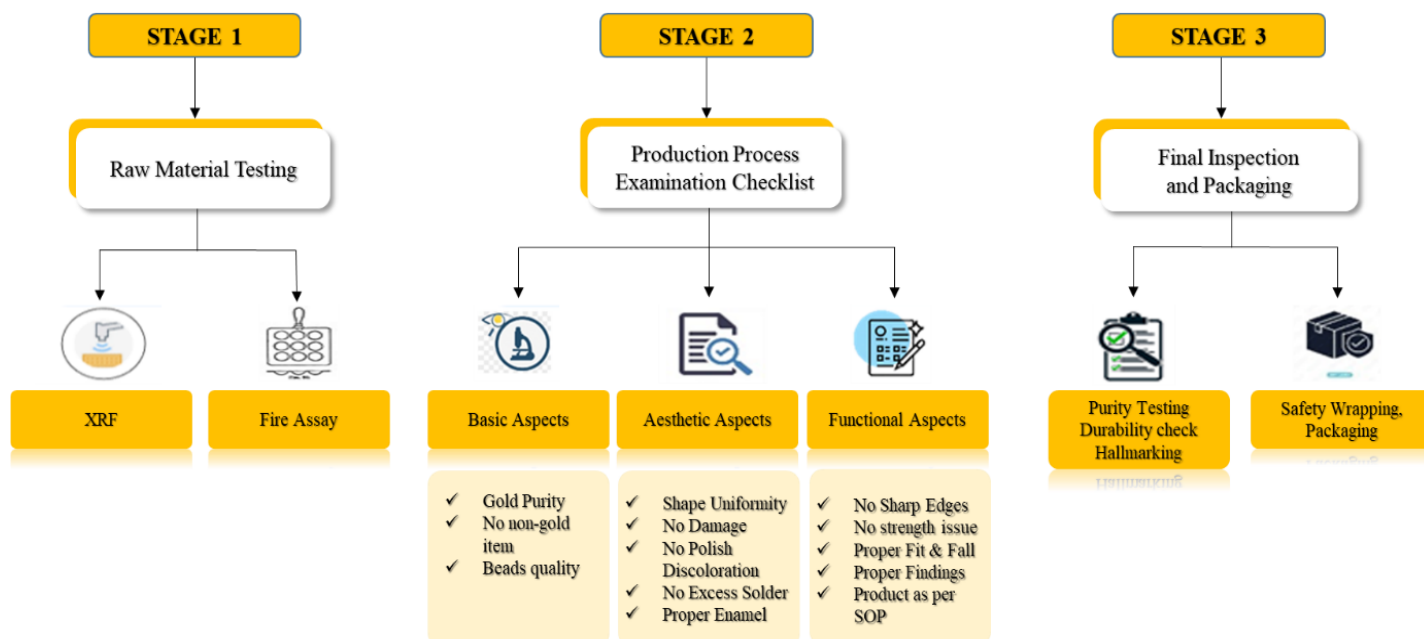
Bracelets Mangalsutra



Rudraksh & Tulsi Mala

Source: RHP, SSL Research

Quality Assurance Process



Source: RHP, SSL Research

Market-wise Revenue Split

Particulars	FY23		FY24		FY25	
	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue
Domestic Revenue	909	95.7	1,080	98.0	1,410	98.6
Export Revenue	40	4.2	21	1.9	20	1.4
Others	1	0.1	1	0.1	1	0.0
Total	950	100.0	1,102	100.0	1,430	100.0

Source: RHP, SSL Research

*Others include hallmarking charges received

Client-wise Revenue Split

Particulars	FY23		FY24		FY25	
	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue
Corporate Clients	287	30.2	350	31.8	486	34.0
Retailers	498	52.5	596	54.1	779	54.5
Wholesalers	164	17.3	155	14.0	164	11.5
Others	1	0.1	1	0.1	1	0.0
Total	950	100.0	1,102	100.0	1,430	100.0

Source: RHP, SSL Research

*Others include hallmarking charges received

Client Revenue Concentration

Particulars	FY23		FY24		FY25	
	Rs cr	as % of revenue	Rs cr	as % of revenue	Rs cr	as % of revenue
Top 1	145	15.3	142	12.9	219	15.3
Top 5	305	32.1	339	30.8	454	31.8
Top 10	377	39.6	434	39.4	571	39.9

Source: RHP, SSL Research

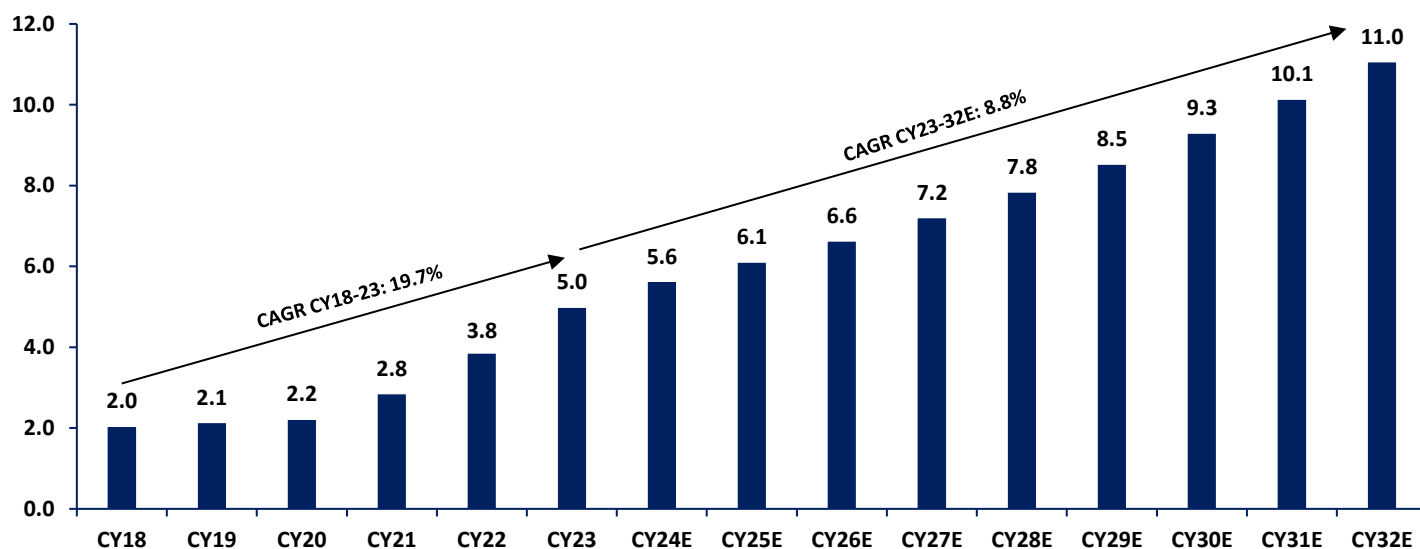
Capacity Metrics

Fiscal	Installed Capacity (in kg pa)	Actual Production (in kg pa)	Capacity Utilisation (%)
FY23	1,850	1,236	66.8
FY24	2,500	1,750	70.0
FY25	2,500	1,725	69.0

Source: RHP, SSL Research

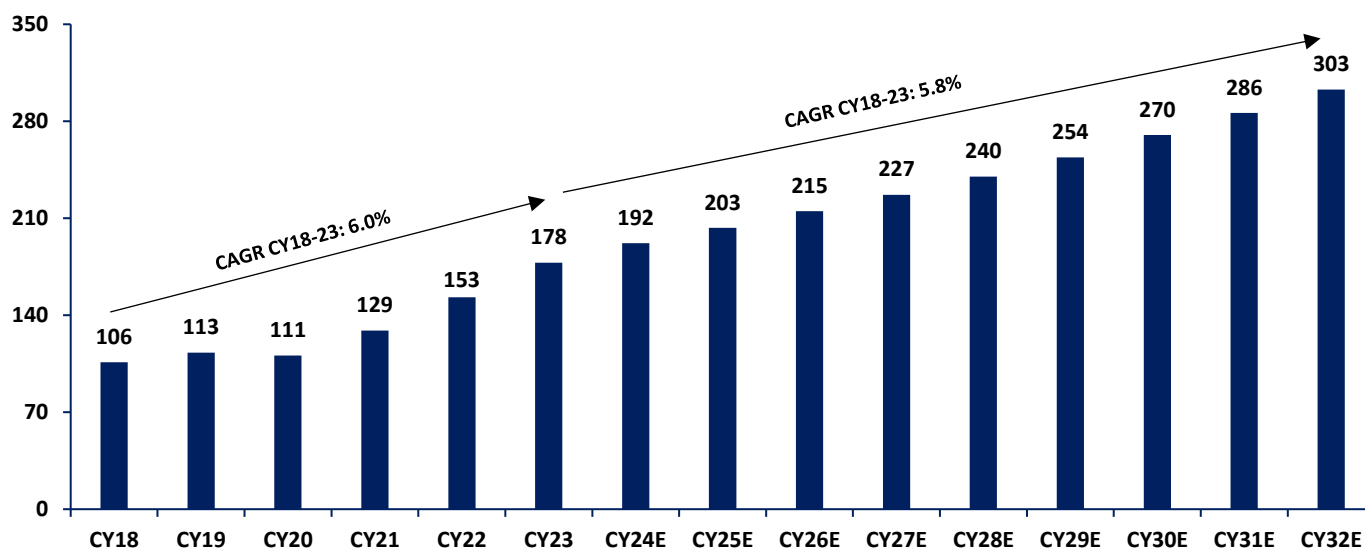
Industry Overview

Indian Domestic Jewellery Market Size, CY18-32E (in Rs tn)



Source: RHP, SSL Research

Indian Mangalsutra Market Value, CY18-CY32E (in Rs bn)



Source: RHP, SSL Research

Financial Snapshot

INCOME STATEMENT			
Particulars (Rs cr)	FY23	FY24	FY25
Revenue from Operations	950	1,102	1,430
YoY growth (%)	-	15.9%	29.8%
Cost of Materials Consumed	897	1,035	1,315
Gross Profit	54	67	115
Gross margin (%)	5.6%	6.1%	8.0%
Employee Cost	8	9	13
Other Operating Expenses	8	8	10
EBITDA	38	50	92
EBITDA margin (%)	4.0%	4.5%	6.5%
Other Income	1	1	-
Interest Exp.	6	6	8
Depreciation	2	3	3
PBT	31	42	82
Exceptional item/Extraordinary item	-	-	-
Tax	8	11	21
PAT	23	31	61
PAT margin (%)	2.5%	2.8%	4.3%
EPS	3.2	4.3	8.5

BALANCE SHEET			
Particulars (Rs cr)	FY23	FY24	FY25
Assets			
Net Block	4	3	5
Right of use assets	17	15	14
Other Non-current Assets	33	37	32
Current Assets			
Current Investment	-	-	-
Inventories	104	144	228
Trade receivables	47	60	88
Cash and Bank Balances	6	4	3
Short-term loans and advances	-	-	-
Other Current Assets	2	2	6
Total Current Assets	159	210	325
Current Liabilities & Provisions			
Trade payables	3	9	43
Other current liabilities	9	8	7
Short-term provisions	-	-	-
Total Current Liabilities	12	17	51
Net Current Assets	147	193	274
Assets Classified as held for sale	-	-	-
Total Assets	200	248	325
Liabilities			
Share Capital	9	9	72
Reserves and Surplus	97	128	129
Total Shareholders' Funds	106	137	201
Minority Interest	-	-	-
Total Debt	89	107	121
Long Term Provisions	-	-	-
Lease Liabilities	4	3	2
Net Deferred Tax Liability	1	1	1
Total Liabilities	200	248	325

Cashflows (Rs cr)	FY23	FY24	FY25
Cash flow from Operating Activities	13	(14)	(7)
Cash flow from Investing Activities	(3)	(2)	(3)
Cash flow from Financing Activities	(9)	12	9
Free Cash Flow	10	(15)	(10)

RATIOS			
	FY23	FY24	FY25
Profitability (%)			
Return on Assets	11.0	11.7	16.3
Return on Capital Employed	19.0	19.8	28.0
Return on Equity	22.1	22.7	30.4
Margin Analysis (%)			
Gross Margin	5.6	6.1	8.0
EBITDA Margin	4.0	4.5	6.5
Net Profit Margin	2.5	2.8	4.3
Short-Term Liquidity			
Current Ratio (x)	1.9	1.8	1.9
Quick Ratio (x)	0.7	0.6	0.6
Avg. Days Sales Outstanding	18.1	20.0	22.4
Avg. Days Inventory Outstanding	42.2	50.7	63.3
Avg. Days Payables	1.2	3.2	11.9
Fixed asset turnover (x)	47.3	59.7	74.6
Debt-service coverage (x)	0.4	0.4	0.7
Long-Term Solvency			
Total Debt / Equity (x)	0.8	0.8	0.6
Interest Coverage Ratio (x)	6.6	8.0	11.0
Valuation Ratios*			
EV/EBITDA (x)	33.7	26.1	14.2
P/E (x)	51.0	38.3	19.5
P/B (x)	11.3	8.7	5.9
EV/Sales (x)	1.3	1.2	0.9

*Valuation ratios are based on pre-issue capital at the upper price band

Source: RHP, SSL Research

Peer Comparison – Financials (FY25)

Particulars (Rs cr)	Shringar House of Mangalsutra Ltd	RBZ Jewellers Ltd.	Sky Gold & Diamonds Ltd.	Shanti Gold International Ltd.
CMP (Rs)	165	140	281	232
Sales	1,430	530	3,548	1,106
EBITDA	92	63	196	92
Net Profit	61	39	133	56
Mkt Cap.	1,591	561	4,186	1,676
Enterprise Value	1,308	645	4,615	1,885
EBITDA Margin (%)	6.5	11.9	5.5	8.3
Net Margin (%)	4.3	7.3	3.7	5.1
RoCE (%)	28.0	18.3	16.9	24.5
RoE (%)	30.4	15.8	19.4	36.8
P/E (x)	26.0	14.5	31.5	29.9
EV/EBITDA (x)	14.2	10.2	23.5	20.5
EV/Sales (x)	0.9	1.2	1.3	1.7

For Shringar House of Mangalsutra Ltd., Market Cap, P/E(x), EV/EBITDA (x) and EV/Sales (x) are calculated on post-issue equity share capital based on the upper price band.

CMP of 04th September 2025 for peer companies

Source: RHP, SSL Research

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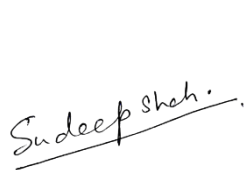
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