



ABOUT THE COMPANY: Incorporated in 2003, Shanti Gold International Limited is engaged in the manufacturing of high-quality 22kt CZ casting gold jewellery, catering to a wide spectrum of design needs for diverse occasions. The company specializes in the production of intricately designed jewellery, offering a wide product portfolio that includes bangles, rings, necklaces, and complete sets for festivities and daily use.

KEY BUSINESS INSIGHTS: The company operates on a B2B model. Shanti has had long standing relationship with some prominent names in the jewellery business like Joyalukkas India, Lalithaa Jewellery Mart, Alukkas Enterprises, Vysyaraju Jewellers and Shree Kalptaru Jewellers. Shanti has a comprehensive product portfolio in both categories’ jewellery for special occasions like weddings to festivals as well as daily wear jewellery, including bangles, rings, necklaces and jewellery sets. The company also plans to enter into plain jewellery segment which is a strategic move to enter the North Indian Markets. As of now the company has a manufacturing site in Andheri Mumbai, with a capacity of 2700 kgs. The company is in the process of setting up one more manufacturing site in Jaipur which will have an installed capacity of 1200 kg. The new plant will focus on plain jewellery for which the company already has letter of intents from prospective buyers. The company has a team of 79 CAD designers who collectively produce over 400 unique gemstone-studded CZ gold designs every month



ISSUE DETAILS	
Price Band (in ₹ per share)	189.00-199.00
Issue size (in ₹ Crore)	360.11
Fresh Issue (in ₹ Crore)	360.11
Offer for Sale (in ₹ Crore)	NA
Issue Open Date	25.07.2025
Issue Close Date	29.07.2025
Tentative Date of Allotment	30.07.2025
Tentative Date of Listing	01.08.2025
Total Number of Shares (in lakhs)	180.96
Face Value (in ₹)	10.00
Exchanges to be Listed on	BSE & NSE

VIEW:

The company has had a robust financial performance for the past three years, where revenue has grown at a CAGR of 28% from 679 Cr to 1106 Cr, and PAT has grown at 68% CAGR from 19 Cr to 55 Cr. The issue is fairly priced at 19 X PE as compared to 23X PE average of it’s listed peers. Although on the basis of PB the issue is slightly overpriced at 7X PB as compared to 5X PB average of listed peers. The company has a solid business foundation with a focus on B2B segment, with the upcoming plant in Jaipur the company is all set to capture the North-ern India market. We recommend **SUBSCRIBE** for the long-term gains.

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	75	14,925
Retail (Max)	13	975	1,94,025
S-HNI (Min)	14	1050	2,08,950
S-HNI (Max)	67	5025	9,99,975
B-HNI (Min)	68	5100	10,14,900

BRLMs: Choice Capital Advisors Pvt Ltd

PROMOTERS: Pankajkumar Jagawat, Manoj Kumar Jain, Shashank B Jagawat

BRIEF FINANCIALS

PARTICULARS (Rs. Cr)	FY25	FY24	FY23
Share Capital	54.00***	9.00	9.00
Net Worth	152.37	96.67	69.81
Revenue from Operations	1,106.41	711.43	679.40
EBITDA	97.71	53.45	45.57
EBITDA Margin (%)	8.83	7.51	6.71
Profit/(Loss) After Tax	55.84	26.87	19.82
EPS (in Rs.)	10.34	4.98	3.67
Net Asset Value (in Rs.)	28.22	17.90	12.93
Total borrowings	233.00	210.68	165.34
P/E [#]	19	NA	NA
P/B [#]	7	NA	NA

Calculated at Upper Price Band (199), *** In November 2024, company issued bonus shares in the ratio 5:1

OBJECTS OF THE OFFER

The Company proposes to utilize the net proceeds towards funding the following objects:

- Funding of capital expenditure requirements towards setting up of the Proposed Jaipur Facility (46.30 Cr)
- Funding working capital requirements of our Company (200.00 Cr)
- Repayment and/or pre-payment, in full or part, of certain borrowings availed by our Company (17.00 Cr)
- General corporate purposes

FINANCIAL STATEMENTS

Profit & Loss Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
INCOME			
Revenue from operations	679.40	711.43	1106.41
Other Income	2.87	3.60	6.06
Total Income	682.28	715.04	1,112.47
YoY Growth (%)	-	4.80%	55.58%
Cost of Materials Consumed	624.83	693.91	1016.96
Employee Benefit Expenses	4.46	4.99	5.88
Changes in WIP and finished	1.79	-44.20	-17.79
Other Expenses	5.62	6.89	9.70
EBIDTA	45.57	53.45	97.71
EBIDTA Margin (%)	6.71%	7.51%	8.83%
Depreciation and amortisation expense	2.49	3.35	5.66
EBIT	43.08	50.10	92.05
EBIT Margin (%)	6.34%	7.04%	8.32%
Finance cost	12.13	14.28	19.22
Profit before tax	30.96	35.82	72.83
Tax expenses			
Current tax	10.95	9.74	18.18
Earlier year tax	-	0.05	0.08
Deferred tax	0.18	-0.84	-1.27
Total tax expenses	11.14	8.96	16.99
Profit for the year	19.82	26.87	55.84
PAT Margin (%)	2.92%	3.78%	5.05%
Earnings per share			
Basic earnings per share (₹)	5.02	6.11	8.87

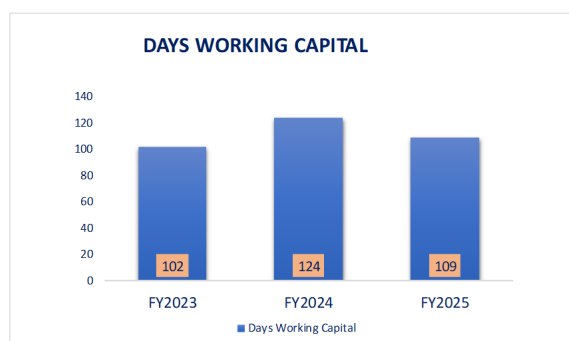
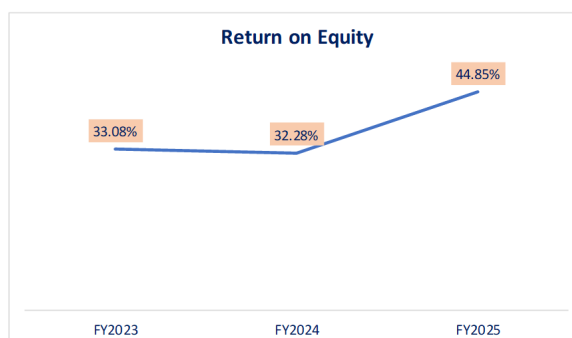
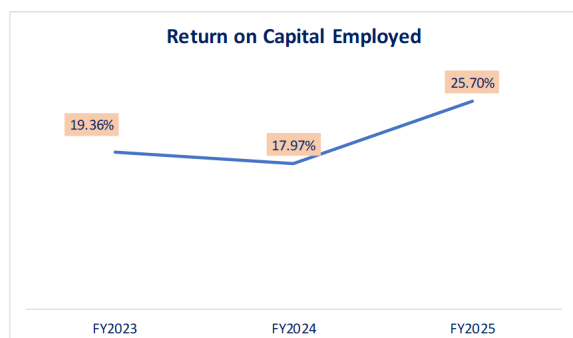
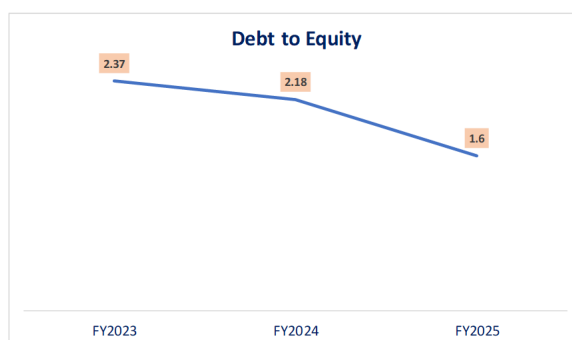
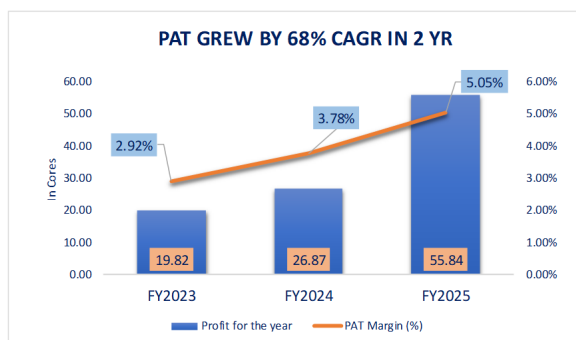
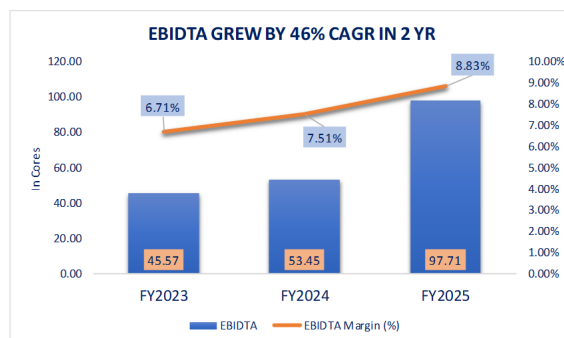
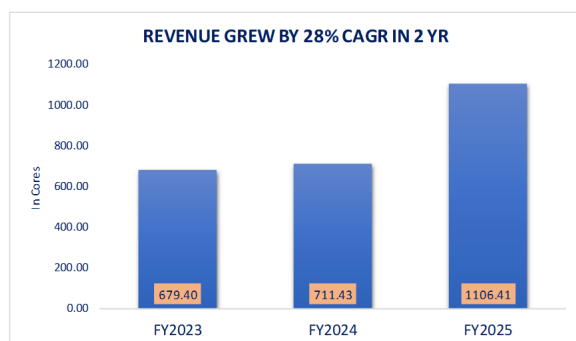
Cashflow Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
Cash generated from operating activities	3.21	-2.82	-1.87
Income tax paid (net of refunds)	8.05	10.21	13.43
Net cash generated from operating activities	-4.84	-13.03	-15.30
Net cash used in investing activities	-4.48	-5.08	1.27
Net cash used in financing activities	9.19	19.63	13.26
Net increase/ (decrease) in cash and cash equivalents before effect of rate exchange	-0.12	1.53	-0.78
Effect of exchange rate	1.27	0.52	0.69
Net increase/ (decrease) in cash and cash equivalents	1.15	2.04	-0.09
Balance as at beginning	0.26	1.41	3.46
Cash and cash equivalent as at year end	1.41	3.46	3.36

Balance Sheet

Particulars (In Crores)	FY2023	FY2024	FY2025
Assets			
Non-current assets			
(a) Property, Plant and Equipment	11.72	18.52	16.16
(b) Capital Work-in-progress	5.95	7.85	8.92
(c) Investment Property	21.89	21.47	23.75
(d) Intangible Assets	0.01	0.01	0.00
(e) Right-of-use asset	8.88	20.20	17.29
(f) Financial Assets			
(i) Investments	0.00	0.00	0.00
(ii) Other Financial Assets	4.89	1.82	2.30
Total non-current assets	53.35	69.87	68.43
Current Asset			
(a) Inventories	85.39	128.60	148.58
(b) Financial Assets			
(i) Trade receivables	102.33	78.23	181.65
(ii) Cash and cash equivalents	1.41	3.46	3.37
(iii) Bank balances other than cash	9.80	39.43	10.82
(iv) Other financial assets	0.13	0.88	0.21
(d) Other current Assets	4.48	4.94	6.77
Total current Asset	203.54	255.53	351.40
Total assets	256.88	325.40	419.83
Equity and liabilities			
Equity			
(a) Equity Share Capital	9.00	9.00	54.00
(b) Other Equity	60.81	87.67	98.37
Total equity	69.81	96.67	152.37
Liabilities			
Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowing	43.07	34.62	19.43
(ii) Lease Liabilities	1.14	10.57	6.79
(iii) Other Financial Liabilities	0.59	1.08	1.08
(b) Deferred Tax Liability	8.05	7.21	5.90
(c) Provisions	0.18	0.17	0.37
Total Non-Current liabilities	53.03	53.65	33.56
Current liabilities			
(a) Financial Liabilities			
(i) Borrowing	120.50	163.74	213.57
(ii) Lease Liabilities	0.63	1.75	3.62
(iii) Trade Payables			
(a) Dues of MSME	1.57	1.97	1.75
(b) Due to other than MSME	4.72	2.49	4.32
(iv) Other Financial Liabilities	1.95	1.94	1.69
(b) Other Current Liabilities	2.20	1.30	2.36
(c) Short Term Provisions	2.49	1.89	6.59
Total Current liabilities	134.05	175.08	233.89
Total liabilities	187.08	228.73	267.45
Total equity and liabilities	256.88	325.40	419.83

PERFORMANCE THROUGH CHARTS



INDUSTRY REVIEW

OVERVIEW OF INDIAN GEMS & JEWELLERY INDUSTRY

- The Indian gems and jewellery industry is a significant pillar of the national economy, contributing approximately 7% to the country's GDP and around 15% of total merchandise exports. The sector is expected to grow steadily, driven by domestic consumption and international demand. India holds a prominent position globally, being the largest diamond cutting and polishing hub, producing over 90% of the world's polished diamonds.
- The industry comprises various segments, including gold jewellery, diamond jewellery, coloured gemstones, and studded jewellery, with gold jewellery dominating the market. Gold plays a vital cultural and religious role in India, symbolizing prosperity and wealth, and is an essential part of weddings, festivals, and other ceremonies. Geographically, the manufacturing base is concentrated in key states like Maharashtra, Gujarat, and Tamil Nadu.
- Organized players are gaining traction as the industry undergoes formalization. Increasing consumer preference for branded jewellery, quality assurance, and contemporary designs is driving this transition. Government initiatives, such as mandatory hallmarking for gold jewellery, the Gold Monetization Scheme, and easing gold import restrictions, are bolstering the formal sector.

SEGMENTS IN INDIAN GEMS AND JEWELLERY

- The Indian jewellery market is traditionally dominated by gold jewellery. Gold jewellery purchases in India are not just limited to consumption as is the case with fashion jewellery. They have a strong saving significance. This is more evident in rural communities where access, literacy, and acceptance of other financial savings instruments are low. These factors have resulted in gold being a major saving asset class.
- Apart from gold jewellery, the other type of jewellery gaining traction is the studded ornaments segment. The key factor contributing to this segment's growth is the younger population's preference for diamond-studded gold jewellery, typically made of 14- or 18-carat gold rather than heavy 22-carat gold. There has also been a noticeable shift towards more informal and everyday use of diamond studded jewellery.

IMPACT OF INTEREST RATES, GEOPOLITICAL TENSIONS ON GOLD PRICES

- The international gold prices increased to USD 1,954 per troy ounce in March 2023 and further to USD 2,019.4 USD per troy ounce in mid-April 2023 as the collapse of Silicon Valley Bank and the takeover of distressed Credit Suisse by UBS Group created uncertainty and drove investments in gold. The gold price rise was also on account of the expectation of the pause in rate hikes by the US Federal Bank.
- Gold prices marginally corrected from May 2023 to September 2023 due to increasing interest rates globally. However, following the escalation of the conflict between Israel and Hamas in the first week of October 2023, gold prices were again on an upward trajectory. The domestic gold prices have increased at a CAGR of 14.32% between September 2018 to September 2023.
- Factors such as geopolitical instability, political developments related to elections in different countries, and volatility in the equity markets have consistently maintained investors' interest in gold, preventing a significant decline in its value.

COMPETITIVE STRENGTHS OF THE COMPANY

COMPLETE IN-HOUSE MANUFACTURING

- The company has fully integrated in-house manufacturing setup, which enables it to exercise greater control over the quality of products and meet the standards expected by its customers. All aspects of design, manufacturing, and packaging have been carried out in-house, enabling it to create jewellery tailored to its clients' preferences.
- The company's manufacturing and processing operations are carried out using machines such as casting machines, steamers, induction melter, air compressors, etc. Additionally, a significant portion of production process relies on outsourced labour, particularly for the manual setting of stones, which requires precision and craftsmanship.
- The company's integration not only streamlines production but also allows flexibility in customizations, and the ability to maintain quality control throughout the entire process. By keeping the entire manufacturing process under one roof, the Company eliminates reliance on external vendors, reducing risks and ensuring that each piece meets the standards of its customers.

EXPERIENCED PROMOTERS WITH EXECUTION CAPABILITIES

- The company's Promoters and Directors, Pankajkumar H. Jagawat and Manojkumar N. Jain, each have over 20 years of experience in jewellery industry, and the company's Promoter and Director, Shashank Bhawarlal Jagawat, has over 16 years of experience in jewellery industry.
- The company's promoters have been responsible in augmenting relationships with various stakeholders which has helped our Company expand its operations.

ESTABLISHED RELATIONS WITH CORPORATE AND JEWELLERY BUSINESSES

- The company has developed and established sustained relationships with clients, including Corporate Clients, enabling it to effectively address the distinct needs of its clients' segments. The company has fostered long standing relationships with several jewellery businesses, including corporate jewellery brands.
- These relationships have been built on its ability to provide a wide range of designs for product offering tailored to the needs of its clients by understanding market preferences. The company endeavours to offer customised jewellery and collections that align with its Corporate Clients' and market preferences.
- For the company's clients, consistent quality is of utmost importance. The company ensure strict quality control measures to ensure its products meet the standards expected by its clients. The company's focus on quality enables it to support these clients in delivering jewellery that aligns with their brand and customer expectations.

RISK FACTORS

CUSTOMER CONCENTRATION

- A significant portion of the company's revenue from operations is derived from a limited number of clients, including its Corporate Clients, such as Joyalukkas India Limited, Lalithaa Jewellery Mart Limited, Alukkas Enterprises Private Limited, Vysyaraju Jewellers Private Limited, Shree Kalptaru Jewellers Private Limited and others.
- These relationships have been built on the company's ability to provide a wide range of designs for its product offering tailored to the needs of its clients by understanding market preferences. However, loss of any of its key clients could have a material adverse effect on its business, financial condition, and results of operations.

Customer concentration	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations	Revenue from operations (₹ in million)	% of revenue from operations
Top 1	810.39	7.32	634.85	8.92	345.28	5.08
Top 5	2,576.32	23.29	1,717.40	24.15	1,432.90	21.09
Top 10	3,816.52	34.49	2,591.41	36.43	2,253.33	33.17

- The company expects that we will continue to be reliant on its top customers for the foreseeable future. There can be no assurance that its top customers will continue to place similar orders with it in the future as they had placed in the past. A significant decrease in business from such top customers, whether due to circumstances specific to such customer or adverse market conditions or the economic environment generally, may materially and adversely affect the company's business, results of operations and financial condition.

GEOGRAPHICAL CONCENTRATION RISK

- A significant portion of the company's business operations and revenue generation is concentrated in the Southern India, which contributed to 72.76% of its revenue from operations in Fiscal 2025.
- In South India, the tradition of investing heavily in gold jewellery, is deeply ingrained, with families often prioritizing substantial, intricate designs that reflect both wealth and cultural heritage. The emphasis on gold as an investment also drives higher expenditure in this region
- This regional preference for gold jewellery in Southern India has significantly influenced the Company's business strategy, market presence, and financial performance. However, heavy reliance on these regions exposes the Company to a variety of risks, including economic vulnerability of these regions, shifts in consumer behaviour, geopolitical, regulatory and local market risks such as natural disasters, infrastructure issues, or political instability, which could disrupt supply chains, operations, and sales in these regions.

PRODUCT CONCENTRATION

- The company's major reliance on a single product category, i.e., 22kt CZ gold jewellery made from casting gold, exposes the company to risks that could impact its revenue and profitability, including fluctuations in the demand for 22kt CZ gold jewellery, changes in consumer preferences, and socio-cultural shifts.
- Economic downturns, changing consumer preferences, lower disposable incomes, or any other economic disruption in the markets it serves could lead to a reduction in consumer spending on 22kt CZ casting gold jewellery, impacting its revenue streams.
- The Company's focus on 22kt CZ casting gold jewellery, limits its ability to cater to a wide range of customer needs. If consumer demand shifts towards more varied options, including other variants of gold jewellery, silver, platinum, and fashion jewellery, the Company's reliance on 22kt CZ casting gold jewellery may make it difficult to adapt to new market demands and trends, and this may impact its business, results of operations, cash flows and financial condition.



PEER COMPARISON

Name of the company	Revenue from Op-erations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
Shanti Gold International Limited	1,106	10	10.34	28.22	44.85	19^	7^
Utssav CZ Gold Limited	646	10	11.63	53.23	30.94	19	4
RBZ Jewellers Limited	530	10	9.7	61.26	17.15	15	2
Sky Gold Limited	3,548	10	9.52	46.61	28.59	36	7

Financials are of FY2025 ^ Calculated at upper price band of 199. *Calculated at closing of 21st July 2025



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