

ABOUT THE COMPANY: The Company is amongst the leading and specialized designers and manufacturers of Mangalsutras in India. It designs, manufactures, and markets a wide range of Mangalsutras in 18k and 22k purity gold, studded with American diamonds, cubic zirconia, pearls, mother of pearl, and semi-precious stones. In CY23, it contributed approximately 6% of the organized Mangalsutra market in India.

KEY BUSINESS INSIGHTS: The company sells its Mangalsutras to established corporate players who also sell their own or jewellery of other competitors. The variety in design with more than 10,000 SKU proves to be their differentiating factor, which has helped the company survive in a competitive space. With 22 designers and 166 in house Karigars the company has enough talent to keep coming up with new designs. The revenue breakup is 40% from Job work and 60% from direct sales to clients. In FY 25, job work grew by 20% and direct sale volume grew by 10%. The company does not hedge gold, as it has a lower inventory cycle as compared to B2C businesses. Margin expansion in the FY 25 is mainly attributable to two things, first the launch of new category 24K gold Mangalsutra and second increase in gold price. Increase in gold prices have contributed approximately 1% to the bottom line.

VIEW:

The company had a robust financial performance with revenue growing from 950 Cr to 1430 Cr from FY 23 to FY 25 with a CAGR of 23% whereas PAT has grown from 23 Cr in FY 23 to 61 Cr in FY 25 with a CAGR of 62%. The issue is fairly priced at 19X PE as compared to average of 21X PE of listed peers, but slightly overvalued at 6X PB as compared to 5X PB of peers. The company has pan India presence with majority sale within the state of Maharashtra. The company is well poised for growth owing to introduction of new SKU's, its long standing relationship with Marquee clients and innovations like 24K gold Mangalsutra in 2026. However, lack of plans to expand facilities and piling up inventory which has resulted in a negative cash flow from operations in FY 24 and FY 25 remains a concern. We recommend **SUSBSCRIBE** for long term gains for investors with high-risk appetite.



ISSUE DETAILS

Price Band (in ₹ per share)	155 - 165
Issue size (in ₹ Crore)	400.95
Fresh Issue (in ₹ Crore)	400.95
Offer for Sale (in ₹ Crore)	NA
Issue Open Date	10-09-2025
Issue Close Date	12-09-2025
Tentative Date of Allotment	15-09-2025
Tentative Date of Listing	17-09-2025
Total Number of Shares (in lakhs)	243.00
Face Value (in ₹)	10
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	90	14,850
Retail (Max)	13	1170	1,93,050
S-HNI (Min)	14	1260	2,07,900
S-HNI (Max)	67	6030	9,94,950
B-HNI (Min)	68	6120	10,09,800

BRLMs: Choice Capital Advisors Private Limited

PROMOTERS: Chetan Thadeshwar, Mamta Thadeshwar, Viraj Thadeshwar, Balraj Thadeshwar

BRIEF FINANCIALS

PARTICULARS (Rs. Cr)	FY25	FY24	FY23
Share Capital	72.13**	8.96	8.96
Net Worth	200.85	136.85	105.72
Revenue from Operations	1,429.82	1,101.52	950.22
EBITDA	92.61	50.76	38.89
EBITDA Margin (%)	6.48	4.61	4.09
Profit/(Loss) After Tax	61.11	31.11	23.36
EPS (in Rs.)	8.57	4.39	3.29
Net Asset Value (in Rs.)	27.84	19.29	14.9
Total borrowings	123.11	110.09	93.19
P/E [#]	19	NA	NA
P/B [#]	6	NA	NA

** In November 2024, bonus of 7:1 issued for existing shareholders

OBJECTS OF THE OFFER

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

- Funding working capital requirements of the Company. (280.00 crores)
- General corporate purposes

FINANCIAL STATEMENTS

Profit & Loss Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
INCOME			
Revenue from operations	950.22	1101.52	1429.82
Other Income	1.08	1.19	0.30
Total Income	951.29	1102.71	1430.12
YoY Growth (%)	-	-	-
Cost of Materials Consumed	872.12	979.54	1095.33
Changes in Inventory of Finished Goods, WIP & Stock -In-Trade	-1.74	-38.39	-41.47
Purchases of Stock-In-Trade	26.27	93.39	261.15
Employee Benefit Expenses	7.53	9.29	12.72
Other Expenses	8.23	8.13	9.77
EBIDTA	38.89	50.76	92.61
EBIDTA Margin (%)	4.09%	4.61%	6.48%
Depreciation and amortisation expense	1.83	2.56	2.62
EBIT	37.06	48.19	90.00
EBIT Margin (%)	3.90%	4.38%	6.29%
Finance cost	5.62	6.03	8.20
Profit before tax	31.43	42.16	81.80
Tax expenses			
Current tax	7.96	11.09	20.93
Earlier tax	-	-0.03	-
Deferred tax	0.12	-0.01	-0.25
Total tax expenses	8.08	11.05	20.68
Profit for the year	23.36	31.10	61.12
PAT Margin (%)	2.46%	2.82%	4.27%
Earnings per share			
Basic earnings per share (₹)	3.29	4.39	8.57

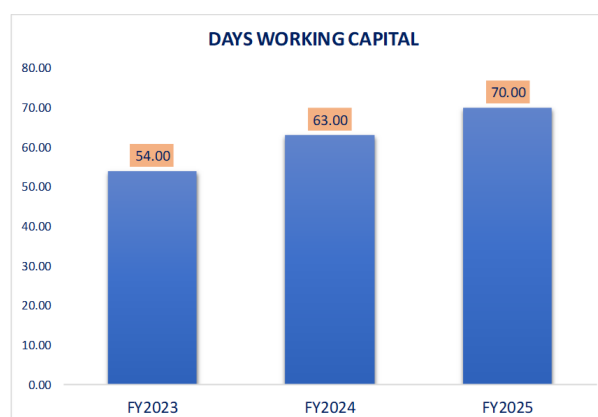
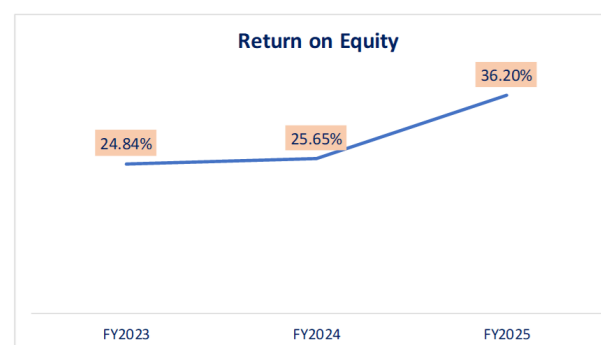
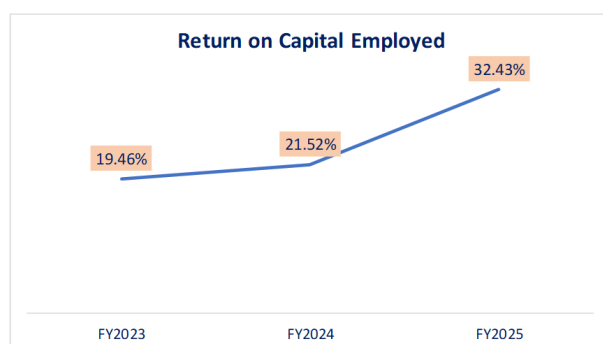
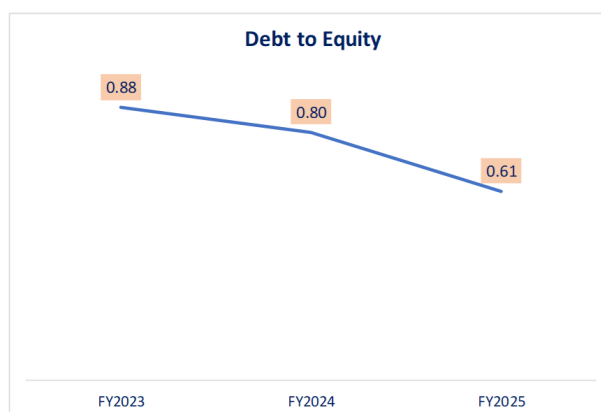
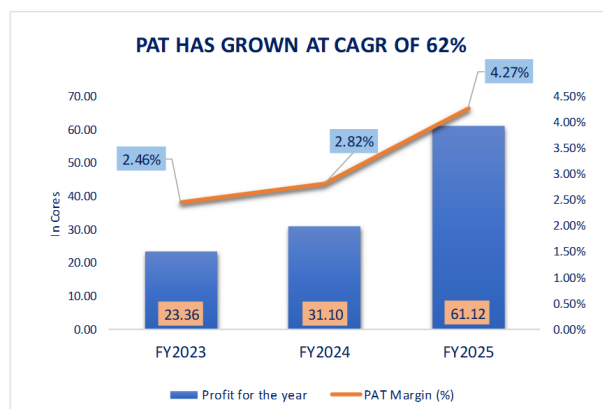
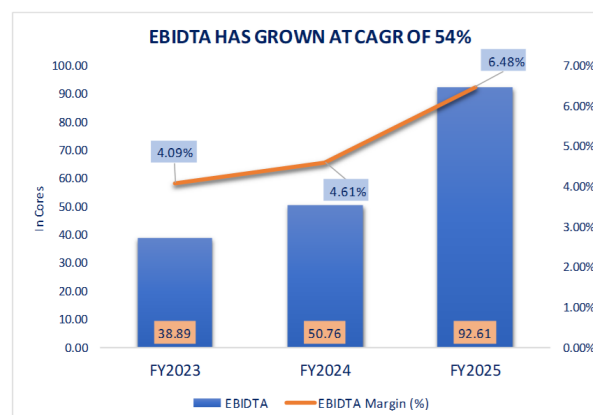
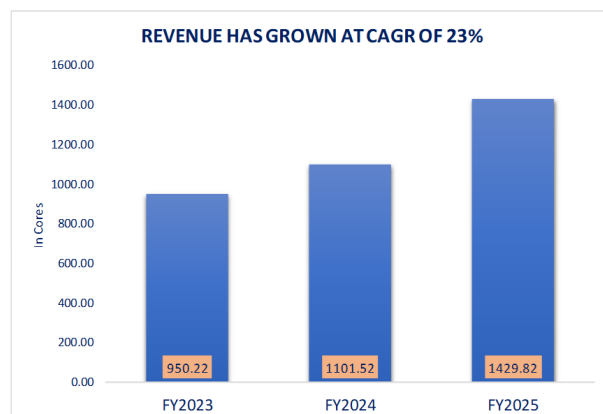
Cashflow Statement

Particulars (In Crores)	FY2023	FY2024	FY2025
Net cash generated from operating activities	13.07	-14.12	-7.09
Net cash used in investing activities	-2.89	-1.68	-2.96
Net cash used in financing activities	-9.08	12.08	8.97
Net increase/ (decrease) in cash and cash equivalents before effect of rate exchange	1.10	-3.73	-1.08
Balance as at beginning	4.72	5.82	2.09
Cash and cash equivalent as at year end	5.82	2.09	1.01

Balance Sheet

Particulars (In Crores)	FY2023	FY2024	FY2025
Property, plant and equipment	3.55	3.16	5.08
Right-of-use assets	16.53	15.31	14.08
Investment property	31.88	31.35	30.82
Other financial assets	0.55	0.48	0.56
Income tax assets (net)	0.07	4.72	0.44
Other non-current assets	0.00	0.22	0.00
Total Non-current Assets	52.58	55.24	50.98
Inventories	103.76	143.83	228.06
Trade receivables	46.99	60.47	87.77
Cash and cash equivalents	5.82	2.09	1.01
Bank balances other than cash and cash equivalents above	0.63	1.76	2.09
Other Financial Asset	0.00	0.00	0.97
Other current assets	1.77	1.61	4.86
Total current assets	158.97	209.76	324.77
Total Assets	211.55	265.00	375.75
Equity share capital	8.96	8.96	72.13
Other equity	96.77	127.89	128.71
Total Equity	105.72	136.85	200.85
Non-current Liabilities			
Borrowings	17.07	5.61	2.58
Lease liabilities	3.11	2.08	0.89
Provisions	0.44	0.00	0.00
Deferred tax liabilities	0.98	0.98	0.73
Total non-current liabilities	21.60	8.67	4.20
Current Liabilities			
Borrowings	72.12	101.37	118.45
Lease liabilities	0.89	1.03	1.20
Trade payables - micro & small enterprises	0.00	0.00	3.00
Trade payables - other than micro & small enterprises	2.96	9.23	40.48
Other Financial liabilities	0.69	0.00	0.00
Other current liabilities	7.87	7.58	7.10
Provisions	0.14	0.28	0.03
Total current liabilities	84.66	119.48	170.27
Total Liabilities	106.26	128.16	174.46
Total Equity and Liabilities	211.98	265.00	375.31

PERFORMANCE THROUGH CHARTS

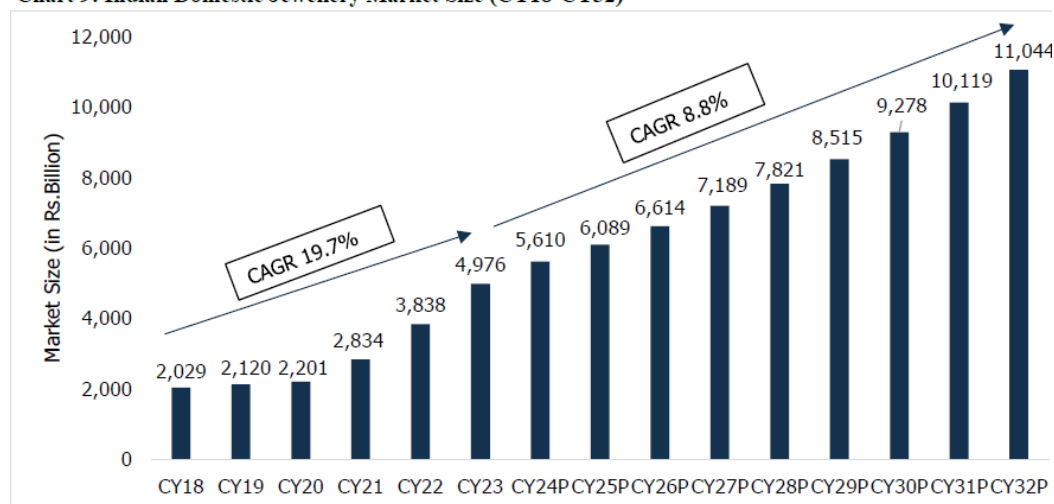


INDUSTRY REVIEW

OVERVIEW OF THE JEWELLERY INDUSTRY IN INDIA

- In India, jewellery holds substantial cultural and traditional importance, crucial in various customs, festivals, and life events, particularly weddings. Gold jewellery, deeply embedded in Indian culture, is often seen as a mark of prosperity and success. It is a family investment for religious ceremonies, gifting, and future security. This deep-rooted cultural connection ensures a persistent demand for jewellery, even amid economic fluctuations.
- With India's economy experiencing significant growth over recent decades, disposable incomes have increased, especially among the middle and upper classes. This rise in purchasing power has enabled people to spend more on luxuries and non-essentials, including high-end and designer jewellery. As earnings continue to grow, so does the appetite for owning and displaying jewellery, further fueling market expansion. Traditionally, the Indian Gems and Jewellery (G&J) industry has been fragmented, with consumers predominantly buying from family jewellers.
- The fragmented nature of this sector makes it difficult to quantify the number of jewellers in India. However, the industry has seen structural transformation in the recent decade with more G&J players moving up the value chain with a greater focus on branded jewellery. Jewellery retailing is not only profitable and high-margin but also an underpenetrated industry in India, which means there is a lot of room for growth. Moreover, consumers are more predisposed to branded jewellery particularly in metro & tier I cities, given the rising media and Western influences and willingness to pay a premium.
- In FY20, the domestic jewellery (gold and studded) industry was negatively impacted by the COVID-19 outbreak and the industry size contracted by nearly a fourth. In FY23, the domestic jewellery industry stabilized at Rs. 4,976 billion. Additionally, in FY23, the demand for gold jewellery remained subdued in terms of volume and declined by about 2%, while the gold price registered a ~7% increase compared to its previous year.
- In FY24 the Indian jewellery market is expected to grow by 12.8% y-o-y to Rs. 5,610 billion. The market is expected to grow at a compounded annual growth rate (CAGR) of 8.8% in the next 9 years to Rs 11,044 billion in FY32.

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



Source: IMARC Group, CareEdge Research



COMPETITIVE STRENGTHS OF THE COMPANY

ESTABLISHED CLIENT BASE AND LONG-STANDING RELATIONSHIP WITH CLIENTS

- With over fifteen (15) years of operational experience, the company have established long term relationships with the company key clients. The company sell and/or supply the company products to a diverse range of clients including Corporate Clients, wholesale jewellers, and retailers across the country, more particularly in twenty-four (24) states and four (4) union territories.
- In addition to serving the company domestic clients, the company have expanded the company reach to international clients across four countries the United Kingdom, New Zealand, UAE, USA and the Republic of Fiji during the past three Fiscal years. The company served around 20 overseas clients during the Fiscal 2025, Fiscal 2024 and Fiscal 2023.
- Over the years, the company have fostered long standing relationships with several jewellery businesses, such as Malabar Gold Limited, Titan Company Limited, GRT Jewellers India Private Limited, Reliance Retail Limited, Novel Jewels Limited (Aditya Birla Group), Joyalukkas India Limited, P N Gadgil Jewellers Limited, Kalamandir Jewellers Limited, Waman Hari Pethe Jewellers, Goldbox Enterprises Limited (UK), Sona Sansaar Limited (New Zealand), Damas Jewellery LLC (UAE), Lalithaa Jewellery Mart Limited, Manoj Vaibhav Gems "N" Jewellers Limited, D. P. Abhushan Limited, amongst others.

DESIGN INNOVATION AND DIVERSIFIED PRODUCT PORTFOLIO.

- Mangalsutra is a vital part of Indian weddings. Preferences for Mangalsutra designs vary significantly across different age groups, reflecting the evolving interests, lifestyles, and values of Indian women. The company offer a diverse range of Mangalsutras, including antique, bridal, traditional, contemporary, and Indo-western styles, across various price points.
- The company also offer an extensive portfolio of Mangalsutras, featuring over 15 collections and more than 10,000 active SKUs, which are customised based on the quality and weight of the gold to meet the specific requirements of the company clients.
- As of June 30, 2025, the company have a dedicated in-house design team of 22 full-time employees who focus on developing new products and designs that align with latest trends, customer lifestyles, aspirations, and demographic preferences across the country. In addition, the company have a team of 166 In-house Karigars and the company also collaborate with a network of third-party Karigars to meet the growing market demand for the company products that enable it to expand and diversify the company designs.

QUALITY ASSURANCE AND QUALITY CONTROL OF MANGALSUTRAS

- The company deliver high-quality and high-purity pieces of Mangalsutras, each marked with a unique HUID (Hallmark Unique Identification) number. The company quality control measures involve checking each piece at every stage of manufacturing using XRF (X-ray fluorescence) machines and steel pin detectors, guaranteeing both the authenticity and durability of the company products. This commitment to excellence enhances the company relationships with the company clients and brands reinforcing the company position as their trusted B2B partner.
- The company have engaged services of more than 100 Karigars who manufacture either full or part of the Mangalsutras, depending on their area of expertise. The company have also entered into term contractual agreements with the company Karigars and as on date, the company have entered into contractual agreement with 77 Karigars. Given that significant of the company inventory is manufactured by Karigars under contract manufacturing arrangement, the company have established three-stage quality control and assurance procedures to ensure consistent quality and purity.
- Each piece of jewellery undergoes thorough inspection for physical defects, including structural issues and inconsistencies in polishing and finishing. Additionally, the products are tested for purity using advanced gold testing machines and are hallmarked by accredited third-party agencies. This comprehensive approach ensure that all products meet high quality standards before reaching the company clients.



RISK FACTORS

LOW-CAPACITY UTILISATION

- During Fiscal 2025, Fiscal 2024 and Fiscal 2023, the actual capacity utilisation was 69.00%, 70.00% and 66.80%, respectively of total installed capacity. Under-utilisation of the company manufacturing capacities and an inability to effectively utilise the company expanded manufacturing capacities could have an adverse effect on the company business, future prospects and future financial performance.
- The company operates one single Manufacturing Facility in Maharashtra, India with total installed capacity of 2,500 kg p.a. as of March 31, 2025. The company business is dependent on the company ability to operate the company Manufacturing Facility at certain utilization levels, which is subject to various operating risks, including productivity of the company workforce, labour disputes, workforce shortage, compliance with regulatory requirements, and those beyond the company control, such as equipment breakdown and failure, disruption in electric power or water resources, fire or industrial accidents, and severe weather conditions and nature disaster.

WORKING CAPITAL INTENSIVE

- The company requires significant amount of working capital for continued growth. The company intends to utilise ₹2,800.00 million from the total Net Proceeds towards funding the company working capital requirements, and the proposed deployment of Net Proceeds in Fiscal 2026 is based on certain assumptions and management estimations. The company inability to meet the company working capital requirements, on commercially acceptable terms, may have an adverse impact on the company business, financial condition and results of operations.
- The company business requires a substantial amount of working capital, primarily to finance the purchase of raw material i.e., gold, which requires immediate payment. However, the company clients include retailers, wholesalers and Corporate Clients, to whom the company needs to provide an average credit period of approximately 15-25 days, thus affecting the company working capital requirement.
- The company working capital requirements may increase due to any longer payment schedules for the company clients and also due to shorter credit period from the company suppliers. Further, the company also requires working capital to finance the production cycle and also to hold inventory of raw material and finished goods to facilitate the sales.

GEOGRAPHICAL CONCENTRATION RISK

- The company business operations are supported by a single Manufacturing Facility, located in Mumbai, Maharashtra. A slowdown or shutdown in the company manufacturing operations or any adverse development affecting such region could have an adverse effect on the company business, results of operations, financial condition and cash flows.
- Any adverse social, political or economic development, natural calamities, civil disruptions, or changes in the policies of the local governments in this region could adversely affect operations at the company Manufacturing Facility. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods, droughts, or diseases heightened or particular to the region, may adversely impact the supply of raw material, end-products, local transportation and operations at the company Manufacturing Facility. Such disruptions to supply would materially and adversely affect the company business, profitability and reputation.

**PEER COMPARISON**

Name of the company	Revenue from Operations (in ₹ Cr)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoE (%)	P/E*	P/B*
Shringar House of Mangalsutra Limited	1,430	10	8.57	27.84	36.20	19^	6^
Utsav CZ Gold Jewels Ltd	646	10	11.63	53.23	30.94	16	4
RBZ Jewellers Ltd	530	10	9.7	61.26	17.15	14	2
Sky Gold & Diamonds Ltd	3,548	10	9.52	46.61	28.59	30	6
Shanti Gold International Ltd	1,106	10	10.34	28.22	44.85	22	8

Financials are of FY2025 Data ^ Calculated at upper price band of 165. *Calculated at closing of 2nd September 2025



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