

Rinkle Vira
rinklevira@rathi.com

Issue Details

Issue Details	
Issue Size (Value in ` million, Upper Band)	4,009
Fresh Issue (No. of Shares in Lakhs)	243.0
Offer for Sale (No. of Shares in Lakhs)	-
Bid/Issue opens on	10-Sept-25
Bid/Issue closes on	12-Sept-25
Face Value	Rs. 10
Price Band	Rs 155-165
Minimum Lot	90

Objects of the Issue:

- **Fresh Issue: ₹ 4,009 Million**
Funding working Capital requirements & General purpose
- **Offer for sale: Nil**

Book Running Lead Managers	
Choice Capital Advisors Pvt. Ltd	
Registrar to the Offer	
MUFG Intime India Pvt. Ltd	

Capital Structure (` Million)	Aggregate Value
Authorized share Capital	1,010
Subscribed paid up Capital (Pre-Offer)	721
Paid up capital (Post - Offer)	964

Share Holding Pattern %	Pre Issue	Post Issue
Promoters & Promoter group	100.0%	74.8%
Public	0.0%	25.2%
Total	100%	100%

Financials

Particulars (Rs. In Million)	FY25	FY24	FY23
Revenue from operations	14,298	11,015	9,502
Operating expenses	13,375	10,520	9,124
EBITDA	923	496	378
Other Income	3	12	11
Depreciation	26	26	18
EBIT	900	482	371
Interest	82	60	56
PBT	818	422	314
Exceptional Items	-	-	13
Tax	207	111	81
Consolidated PAT	611	311	247
EPS	8.5	4.3	3.4
Ratio	FY25	FY24	FY23
EBITDAM	6.5%	4.5%	4.0%
PATM	4.3%	2.8%	2.6%
Sales growth	29.8%	15.9%	-

Sector- Gold Jewellery

Company Description

Incorporated in 2009, Shringar House of Mangalsutra designs, manufactures, and markets a wide range of Mangalsutras in 18k and 22k gold, often studded with American diamonds, cubic zirconia, pearls, mother of pearl, and semi-precious stones. With ~6% share of India's organized Mangalsutra market in FY23, the company offers over 15 collections and 10,000+ active SKUs across bridal, traditional, contemporary, Indo-western, and daily-wear segments.

The company serves a diversified B2B client base spanning 24 states and 4 union territories, comprising 34 corporate clients, 1,089 wholesalers, and 81 retailers as of March 31, 2025. Revenue in FY25 was driven primarily by retailers (54.47%), followed by corporate clients (33.99%), wholesalers (11.50%), and others (0.04%).

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.

Shringar also manufacture and supply Mangalsutras on a job-work basis to their Corporate Clients i.e. leading jewellery brands having their own chain of jewellery stores spread across the country and overseas. For the Fiscals 2025, 2024, and 2023, we processed a total of 1,320 kgs, 1,221 kgs and 870.26 kgs of bullion into Mangalsutras, generating revenue of ₹264 million, ₹193 million and ₹156 million, respectively.

Domestically dominant, Shringar derived 98.59% of revenue from India in FY25, complemented by exports to the UK, New Zealand, UAE, USA, and Fiji (1.37% of revenue). Operations are supported by a single integrated facility in Maharashtra with 2,500 kg annual capacity, an in-house design team of 22, 166 Karigars, and additional third-party Karigar support. The recent launch of an e-catalogue has further strengthened retail engagement and order convenience.

Valuation:

Shringar House of Mangalsutra Ltd. is B2B player engaged in designing, manufacturing and marketing a varied range of Mangalsutra which contributed to around 6% of organized Mangalsutra market in India in CY23. The company offers an extensive range of Mangalsutra featuring over 15 collections and more than 10,000 active SKUs, catering to a diverse demographics. The 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.

The company has successfully positioned itself in the Indian jewellery market by combining traditional cultural value with modern design elements, creating a niche presence in a segment that is both heritage-driven and evolving with contemporary trends.

On the valuation front, based on annualized FY25 earnings, the company is seeking a P/E of 26 times, and a post-issue market capitalization of approximately Rs 15,911 million, making the issue appears to be fairly priced. The company's operations are working-capital intensive, with upfront gold payments and 15–20 days client credit. As scale expands, working capital needs will rise, and IPO proceeds will be used to fund them. We also believe that the company is likely to benefit from the rising shift from unorganized to organised sector as well as the huge addressable market size of Mangalsutra, along with its plans to establish a new supply chain network to expand into untapped domestic markets and enter new international markets, We assign a **'Subscribe for Long term'** rating for the IPO backed by Shringar's robust growth, expanding client base, strong financials, and strategic expansion, enabling long-term value creation.

Company Overview

Shringar House of Mangalsutra is among the leading and specialized designers and manufacturers of Mangalsutras in India. The company designs, manufactures, and markets a wide portfolio of Mangalsutras in 18k and 22k gold, often studded with American diamonds, cubic zirconia, pearls, mother of pearl, and semi-precious stones, catering exclusively to B2B clients. It accounted for ~6% of India’s organized Mangalsutra market in CY23. Incorporated in 2009 as Shringar House of Mangalsutra Private Limited, the company was established to operate in a more corporate and organized structure. The business is led by Promoter Chetan N. Thadeshwar, a second-generation entrepreneur with over 40 years of industry experience, alongside third-generation promoters Viraj C. Thadeshwar and Balraj C. Thadeshwar, who joined the business early to continue the family legacy. The promoters are supported by a qualified and experienced senior management team, enabling the company to effectively anticipate market trends, scale operations, and strengthen client relationships.

Since inception, the company has concentrated exclusively on manufacturing Mangalsutras, enabling it to build a strong industry position. This focused approach has allowed the business to effectively cater to evolving client preferences, which vary significantly across geographies and emerging fashion trends. The company is poised to leverage the rapid formalization of India's gold jewellery sector by deepening relationships with its major corporate clients leading organized retailers like Titan, Malabar, and Joyalukkas, whose aggressive expansion plans are driving increased demand for compliant, high-quality suppliers; the company will scale up operations and offer tailored, premium products to capture recurring and higher-value orders, capitalizing on the shifting industry landscape and consolidating its position as a preferred partner in an evolving, fast-growing organized market.

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. The company undertakes end-to-end operations, encompassing conceptualization, design, manufacturing, and sales through its integrated manufacturing facility located at Lower Parel, Mumbai, spanning 8,300 sq. ft. The facility combines traditional craftsmanship with modern techniques, supported by an in-house team of 22 designers and 166 karigars, enabling the creation of authentic and intricate designs. Continuous expansion of manufacturing capacity has strengthened the company’s ability to meet rising demand and growing volumes.

Facility	Fiscal 2025 – Installed Capacity	Fiscal 2025 – Actual Production	Fiscal 2025 – Capacity Utilisation (%)	Fiscal 2024 – Installed Capacity	Fiscal 2024 – Actual Production	Fiscal 2024 – Capacity Utilisation (%)	Fiscal 2023 – Installed Capacity	Fiscal 2023 – Actual Production	Fiscal 2023 – Capacity Utilisation (%)
Manufacturing Facility	2,500 kg p.a.	1,724 kg	69.0%	2,500 kg p.a.	1,750 kg	70.0%	1,850 kg p.a.	1,236 kg	66.8%

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

Strengths:➤ **Established Client Base and Long-standing Relationships**

Particulars	Fiscal 2025 (Count / ₹ mn / %)	Fiscal 2024 (Count / ₹ mn / %)	Fiscal 2023 (Count / ₹ mn / %)
Corporate Clients	34 / 4,859 / 33.9%	33 / 3,500 / 31.7%	32 / 2,867/ 30.1%
Retailers	1,089 / 7,788 / 54.4%	832 / 5,962 / 54.13%	872 / 4,984/ 52.4%
Wholesalers	81 / 1,644/ 11.50%	96 / 1,547/ 14.04%	84 / 1,644 / 17.3%
Others*	- / 5.73 / 0.04%	- / 5.62 / 0.05%	- / 5.33 / 0.06%
Total	1,204 / 14,298/ 100%	961 / 11,015/ 100%	988 / 9,502/ 100%

With a track record of over 15 years, Shringar House of Mangalsutra has developed strong and lasting relationships with a broad customer base that spans corporate clients, wholesalers, and retailers across 24 states and four union territories in India. In addition, the Company has steadily expanded its international footprint, entering markets such as the UK, New Zealand, UAE, USA, and Fiji over the past three years. Between FY23 and FY25, it catered to nearly 20 overseas clients, highlighting its ability to grow beyond domestic boundaries. These enduring relationships ensure recurring demand, business stability, and a robust foundation for long-term expansion.

Client Concentration	Fiscal 2025 Revenue (₹ mn)	% of Revenue	Fiscal 2024 Revenue (₹ mn)	% of Revenue	Fiscal 2023 Revenue (₹ mn)	% of Revenue
Top 1	2,188	15.3%	1,418	12.9%	1,452	15.3%
Top 5	4,539	31.8%	3,389	30.8%	3,053	32.1%
Top 10	5,705	39.9%	4,339	39.4%	3,767	39.6%

The Company's revenue profile is well-diversified across customer categories, reducing reliance on any single segment. In FY25, retailers accounted for the largest share of revenues at 54.47% (₹7,788.53 million), followed by corporate clients at 33.99% (₹4,859.85 million) and wholesalers at 11.50% (₹1,644.04 million). The client base continues to expand, with the number of retailers increasing from 872 in FY23 to 1,089 in FY25, while corporate clients grew from 32 to 34 during the same period. Revenue contribution from corporates has also risen consistently, from 30.18% in FY23 to 33.99% in FY25, reinforcing the Company's strong positioning across both retail and institutional channels.

Particulars	Fiscal 2025 Amount (₹ mn)	% of Revenue	Fiscal 2024 Amount (₹ mn)	% of Revenue	Fiscal 2023 Amount (₹ mn)	% of Revenue	Country	Client Type	Length of Relationship
Malabar Gold Limited	2,188	—	—	—	—	—	India	Corporate	> 10 years
Purushottam Narayan Gadgil Saraf & Jewellers	1,225	8.6%	987	9.0%	747.34	7.9%	India	Retailers	> 11 years
Kubde Jewellers Private Limited	330	2.3%	293	2.7%	299	3.2%	India	Corporate	> 13 years
RB Jewellers Private Limited	267	1.9%	199	1.8%	280.41	3.0%	India	Wholesaler	> 10 years
P N Gadgil Jewellers Limited	293	2.1%	289	2.1%	131.03	1.4%	India	Corporate	> 12 years

Over the years, Shringar House of Mangalsutra has built strong associations with some of the most prominent jewellery brands in India and abroad. Its portfolio includes reputed names such as Malabar Gold, Titan Company, GRT Jewellers, Reliance Retail, Joyalukkas, P. N. Gadgil Jewellers, and Aditya Birla Group's Novel Jewels, alongside international partners like Goldbox Enterprises (UK), Sona Sansaar (New Zealand), and Damas Jewellery (UAE). These marquee relationships not only underscore the Company's credibility in the jewellery value chain but also provide significant opportunities for continued growth and market expansion. The Company maintains a balanced revenue profile with limited concentration risk. In FY25, the top 10 clients accounted for 39.92% of revenues, broadly in line with 39.39% in FY24 and 39.64% in FY23. Contribution from the top five clients stood at 31.76% in FY25, while the single largest client contributed 15.31%. This consistency indicates that while leading clients form an important part of the business, revenues remain well diversified across a broad base, limiting overdependence on any single relationship.

Shringar House of Mangalsutra maintains a balanced client portfolio with moderate concentration risk, as reflected in its revenue distribution. In FY25, the top 10 clients contributed 39.92% of total revenues, broadly stable compared to 39.39% in FY24 and 39.64% in FY23. Revenue contribution from the top 5 clients stood at 31.76% in FY25, while the single largest client accounted for 15.31%. This stable trend demonstrates that while marquee clients form a meaningful part of the business, the company's revenue base remains well diversified across a large pool of clients, mitigating overdependence on any single relationship.

➤ **Design innovation and diversified product portfolio**

Mangalsutra remains an integral element of Indian weddings, with design preferences varying significantly across age groups, reflecting evolving lifestyles, aspirations, and values of Indian women. Shringar House of Mangalsutra addresses this diversity through a broad portfolio that spans antique, bridal, traditional, contemporary, and Indo-western styles across multiple price points. Customization, an emerging trend highlighted, is also central to the Company's offerings, enabling clients to choose patterns, designs, and materials tailored to their preferences. The portfolio includes innovative formats such as ring Mangalsutras, bracelet Mangalsutras, God edition Mangalsutras, and divine Mangalsutras, with more than 15 collections and over 10,000 active SKUs customized by gold quality and weight. As of June 30, 2025, the Company's in-house design capabilities are supported by a dedicated team of 22 full-time designers, complemented by 166 in-house karigars and a network of third-party artisans. This integrated design-production ecosystem enables Shringar to scale output while diversifying its design range in response to market demand. The Company leverages social media

platforms to showcase its innovation and extensive Mangalsutra portfolio, actively engaging retail and wholesale clients. With a sustained focus on innovation, Shringar continues to introduce designs that resonate with diverse demographics and regional preferences, strengthening its positioning as a market leader in the Mangalsutra segment.

➤ **Integrated Manufacturing Facility**

Shringar House of Mangalsutra is engaged in the design, manufacturing, and marketing of a wide range of Mangalsutras crafted in 18k and 22k gold, catering exclusively to B2B clients. The Company operates from an integrated manufacturing facility spanning 8,300 sq. ft., with an installed annual production capacity of 2,500 kg as of March 31, 2025. This facility supports end-to-end operations, encompassing conceptualization, design, and manufacturing, thereby ensuring consistency in quality and operational efficiency. The facility is equipped with modern technology, including CNC para machines, laser solder machines, and 3D printers, enabling precision manufacturing and execution of complex designs. The use of custom-designed dyes further enhances product durability. These advanced processes allow the Company to achieve intricate detailing, essential for high-quality Mangalsutra production. In addition to leveraging technology, Shringar benefits from the craftsmanship of 166 in-house karigars whose expertise complements mechanized processes. Their artisanal skill ensures that every product embodies fine detailing and aesthetic appeal, reflecting a blend of tradition and innovation. The integration of advanced machinery with skilled craftsmanship allows the Company to consistently deliver premium-quality Mangalsutras while maintaining competitive pricing. By retaining exclusivity in design and ensuring stringent quality control, Shringar strengthens its market positioning as a trusted supplier of distinctive Mangalsutras to its B2B clientele.

➤ **Quality assurance and quality control of Mangalsutras**

The company is committed to delivering high-quality, high-purity Mangalsutras, with every piece hallmarked and assigned a unique HUID (Hallmark Unique Identification) number. Stringent quality control measures are embedded across all stages of the manufacturing process, including the use of XRF (X-ray fluorescence) machines and steel pin detectors to ensure authenticity, structural integrity, and durability. These practices reinforce the Company's reputation as a trusted B2B partner for leading jewellery brands and retailers. The Company leverages a combination of in-house and contract-based craftsmanship to meet production demand. Over 100 skilled karigars contribute to the manufacturing process, either fully or partially, based on their expertise. As of date, Shringar has entered into contractual agreements with 77 karigars, formalizing long-term relationships and ensuring reliable production capacity. Given that a significant share of inventory is produced through contract manufacturing arrangements, the Company has instituted a rigorous three-stage quality control and assurance framework to maintain product consistency and reliability. Each piece of jewellery undergoes detailed inspection for physical defects, such as structural weaknesses and inconsistencies in polishing and finishing. Products are also tested for purity using advanced gold-testing machines and subsequently hallmarked by accredited third-party agencies. This multi-layered quality control process ensures that only products meeting the highest standards of craftsmanship and purity are delivered to clients, strengthening customer trust and brand equity.

➤ **Consistent Financial Outperformance and Margin Expansion**

Shringar House of Mangalsutra has demonstrated robust financial momentum over the last three fiscal years, marked by consistent double-digit growth and operational improvement. Revenue from operations surged from ₹9,502 million in FY23 to ₹11,015 million in FY24, and further to an impressive ₹14,298 million in FY25, highlighting a CAGR of 22.6%. EBITDA followed a similar trajectory, rising from ₹388 million in FY23 to ₹507 million in FY24, and reaching ₹926 million in FY25. Notably, EBITDA margin improved from 4.09% in FY23 to 4.61% in FY24 and 6.48% in FY25, underscoring the impact of business scale and margin accretive strategies. Net profit more than doubled across the period, rising from ₹233 million in FY23 to ₹311 million in FY24, and a remarkable ₹611 million in FY25, as net profit margin advanced from 2.46% to 4.27%. Key return metrics further emphasize the company's capital efficiency and operational prowess. Return on Equity rose sharply to 36.20% in FY25 from 25.65% in FY24 and 24.84% in FY23, an industry leading performance while Return on Capital Employed jumped to 32.4% in FY25, up from 21.5% in FY24 and 19.4% in FY23. The continuous reduction in debt-equity ratio, from 0.88 in FY23 to 0.61 in FY25, reflects prudent financial management and underscores deleveraging initiatives. Days working capital increased from 54 days in FY23 to 70 days in FY25, supporting expansion and scaling operations. Collectively, these figures reaffirm Shringar House of Mangalsutra's position as a fast growing, margin strong leader with clear visibility on sustainable profitability and return maximization in the organized jewellery sector.

➤ **Experienced Promoters and a professional management team**

Shringar House of Mangalsutra is promoted by a family of generational jewellers with decades of industry experience. The business traces its origins to late goldsmith Natwarlal K. Thadeshwar, with Chetan Thadeshwar formally entering the trade in 1984. To bring greater structure, the Company was incorporated in 2009, with Chetan Thadeshwar and Mamta C. Thadeshwar as founding members, later joined by Viraj C. Thadeshwar and Balraj C. Thadeshwar to carry forward the family legacy. Backed by over 40 years of experience of Chetan Thadeshwar and a collective 20+ years of expertise from Viraj and Balraj Thadeshwar, the Promoters have been instrumental in shaping business strategy, driving innovation, integrating modern systems, and expanding into new markets. Their industry reputation and client-centric approach have enabled the Company to establish a strong domestic presence and growing international reach. Supported by an experienced KMP and SMP team across key business functions, Shringar continues to leverage the depth of its leadership to capture emerging opportunities and strengthen its market position.

Key Strategies:

➤ **Establish a supply chain network to reach untapped geographical regions**

The Company operates on a B2B model, offering end-to-end services from conceptualization, design, and manufacturing to final supply. Its client base comprises corporate clients, wholesale jewellers, and retailers, with a presence across 24 states and 4 union territories in India. Over the past three fiscals, the Company has also established an international footprint, supplying products to clients in the UK, USA, New Zealand, UAE, and Fiji. The Company follows a direct supply approach, catering to wholesale and retail jewellers across towns, cities, and villages nationwide through both online and offline channels. Orders are placed via e-catalogues, visits to company facilities, or during jewellery exhibitions and trade events. In addition, the Company undertakes job-work assignments and bulk supply for select corporate clients. To strengthen its market presence, the Company is implementing

a pan-India supply chain model through reputed third-party facilitators. It has identified 42 cities for expansion and entered into arrangements with 11 facilitators to penetrate untapped domestic markets, particularly for its Mangalsutra product line. This initiative is expected to enhance market reach, deepen relationships with existing clients, and expand the customer base. Between Fiscal 2023 and Fiscal 2025, the Company reported revenue growth at a CAGR of 22.67%. While domestic operations remain the primary driver of revenue, exports contributed 4.24%, 1.92%, and 1.37% of total revenue in Fiscal 2023, Fiscal 2024, and Fiscal 2025, respectively.

Particulars	Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations	Amount (₹ in million)	% of revenue from operations
Domestic Revenue	14,097	98.5%	10,797	98.0%	9,094	95.1%
Export Revenue	195	1.3%	211	1.9%	402	4.2%
Others* (include hallmarking charges received)	5.7	0.04%	5.6	0.05%	5.33	0.06%
Total	14,298	100%	11,015	100%	9,502	100%



Going forward, the Company aims to leverage its diverse design portfolio, established domestic client base, integrated manufacturing facility, and presence in export markets to expand into new international geographies. Increasing the share of exports is expected to broaden the addressable market, extend geographical reach, and enhance profitability. Furthermore, the Company’s strategy of diversifying revenue streams and expanding its geographical footprint is expected to mitigate risks associated with regional economic fluctuations and customer concentration, thereby supporting sustainable long-term growth.

➤ **Grow relationships with the existing clients and participate in their future expansions**

The Company intends to strengthen relationships with its existing clients by driving recurring sales and increasing order volumes. India’s gold jewellery market is characterised by a dual structure of organized and unorganized players. While the unorganized segment has historically dominated, the organized sector has been growing rapidly, supported by regulatory reforms such as compulsory hallmarking, GST compliance, and rising consumer demand for transparency. These developments have adversely impacted unorganized retailers, resulting in increased consolidation within the sector.

Organized jewellery retailers, led by established brands such as Malabar Gold & Diamonds, Joyalukkas, and Titan’s Tanishq, have capitalised on this trend by expanding their retail footprints both domestically and internationally. For instance, between FY22 and FY24, Titan added ~350 new stores, Senco Gold added 32 outlets, and Kalyan Jewellers established 93 outlets. Consequently, the penetration of organized jewellery retailers improved significantly between CY20 and CY23. Looking ahead, leading players are expected to reinforce their dominance by adding 400–440 new retail outlets across domestic and international markets in the near to mid-term. These leading organized retailers form part of the Company’s corporate client base. Their planned expansion is expected to generate incremental demand for gold jewellery, including the Company’s product offerings. To align with this growth trajectory, the Company aims to deepen engagement with these clients by scaling operations and expanding capacity to meet rising demand. By leveraging its design expertise, established market presence, and proven ability to deliver quality, customized products, the Company seeks to capture a greater share of business from existing corporate clients. This strategy is expected to enhance recurring revenue streams, strengthen client stickiness, and contribute to long-term growth.

➤ **Continue to invest in marketing and brand building initiatives**

The Company undertakes a range of marketing initiatives to showcase its collection and design portfolio to both existing and prospective clients. Participation in leading national and regional B2B exhibitions such as IIJS Signature, IIJS Premiere, IIJS Tertiya, and the Indian Gem & Jewellery Show (GJS), organized by GJEPC and other bodies, plays a pivotal role in generating significant sales orders during event periods. The Company is also a member of the Preferred Manufacturers of India, an initiative of the All India Gem and Jewellery Domestic Council (GJC), and the Responsible Jewellery Council (RJC), a global body that promotes responsible practices across the jewellery supply chain. In addition, it engages in regional buyer-seller meetings such as GlamBox Xperience & Xpositions, which facilitate direct interactions with leading retail players and help build stronger client relationships.

Over the past three fiscals, the Company has actively increased its presence at industry events, participating in twelve exhibitions in Fiscal 2025, seven in Fiscal 2024, and five in Fiscal 2023. Complementing these efforts, it invests in brand promotion through celebrity endorsements, video films, product photography, and print and magazine advertisements under its brand 'Shringar.' Marketing and promotional expenses amounted to ₹13.94 million, ₹12.49 million, and ₹8.67 million in Fiscal 2025, Fiscal 2024, and Fiscal 2023, respectively, with exhibition-related costs accounting for over two-thirds of the total in each year, underscoring their importance to the Company's sales strategy. Looking ahead, the Company plans to continue its investments in marketing and brand-building initiatives, including collaborations with celebrities for endorsements, to enhance visibility, strengthen brand recall, and drive increased customer engagement.

➤ **Augment their fund based capacities in order to scale up business operations**

The Company's operations are working capital intensive, driven by immediate payment requirements for gold procurement from banks and bullion houses, contrasted with a 15–20 day credit period extended to corporate, wholesale, and retail clients. To support expansion into new geographies and higher sales volumes, the Company requires substantial working capital and intends to utilize funds from this Issue to strengthen its liquidity position. To address diverse customer preferences and regional demand variations, the Company maintains finished goods inventory, enabling efficient fulfilment of walk-in orders. The recent launch of its e-catalogue further enhances accessibility for retail clients to browse and place orders seamlessly. As business volumes scale, working capital requirements are expected to increase correspondingly. Maintaining higher liquidity will allow the Company to capitalize on market opportunities, improve operational agility, and reinforce its competitive position in the industry.

➤ **Continuing focus on reducing operating costs and improving operational efficiency.**

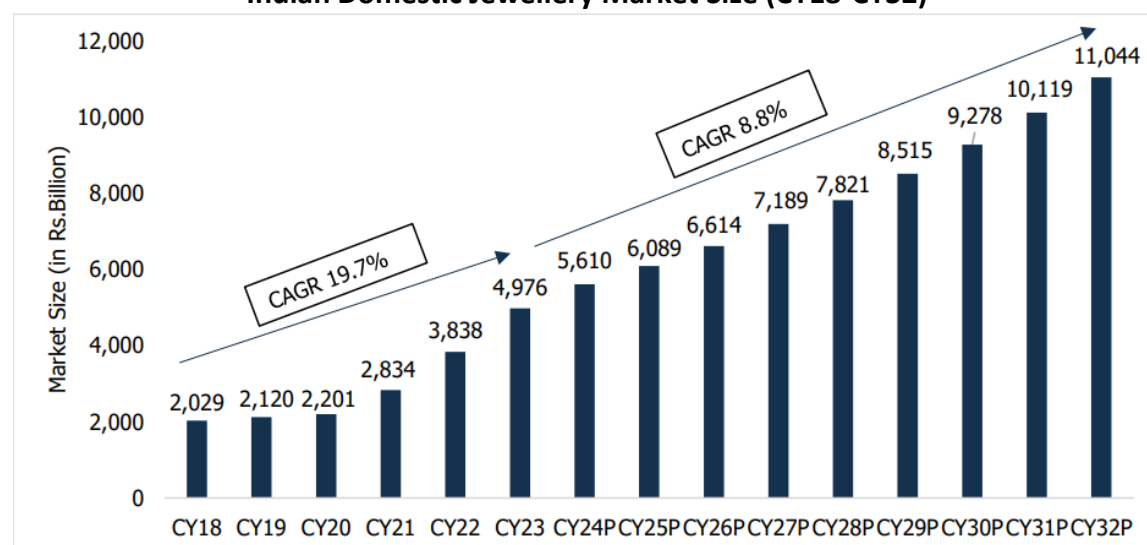
The Company is focused on driving sustained profitability through continuous cost optimization, improved capacity utilization, and the effective use of its backward integration capabilities. To enhance operational efficiency, the Company actively explores opportunities to refine its production processes and implement product improvements. As part of this effort, the manufacturing facility has been partially automated, reducing manual inefficiencies and minimizing errors, with further automation and process upgrades planned to achieve higher productivity. The Company remains committed to optimizing production by improving both installed and utilized capacity while reducing wastage during manufacturing. In parallel, it is strengthening its design capabilities and expanding production capacity to cater to evolving customer preferences. These initiatives will enable the Company to broaden its design portfolio, reduce per-unit production costs, and increase overall output. Collectively, these measures are expected to enhance margins, improve operational efficiency, and reinforce the Company's competitive positioning in the industry

Industry Snapshot:

➤ **Indian Jewellery Industry Market Size & Trends**

Jewellery in India holds deep cultural significance, particularly in weddings and festivals, ensuring steady demand despite economic fluctuations. Rising disposable incomes, especially among middle- and upper-class consumers, have fueled demand for luxury and branded jewellery, with metros and Tier I cities leading adoption. The Gems & Jewellery (G&J) industry, historically fragmented, is witnessing structural transformation as branded players gain share, driven by consumer preference for quality, authenticity, and design. The domestic jewellery market, sized at ₹4,976 billion in CY23, is expected to grow 12.8% y-o-y to ₹5,610 billion in CY24 and further at an 8.8% CAGR to ₹11,044 billion by CY32. India remains the second-largest gold jewellery consumer globally. Technology adoption, including CAD, 3D printing, and e-commerce, is enhancing customization, efficiency, and reach, supporting long-term industry growth.

Indian Domestic Jewellery Market Size (CY18-CY32)



Source: IMARC Group, CareEdge Research

➤ Outlook on the Organized and Unorganized Segments

○ Organized Segment

The organized jewellery segment in India is on a strong growth trajectory. Driven by increased consumer awareness about quality and certification, this segment is rapidly gaining market share. The implementation of government regulations, such as mandatory hallmarking of gold jewellery and the Goods and Services Tax (GST), has provided an additional boost to organized players, who are better equipped to meet these requirements. Major brands like Tanishq, Kalyan Jewellers, and Malabar Gold & Diamonds are expanding aggressively, particularly in tier II and III cities, to tap into the growing demand for branded, certified jewellery. Furthermore, the adoption of digital platforms, omni-channel retail strategies, and personalized customer experiences are enhancing the appeal of organized players.

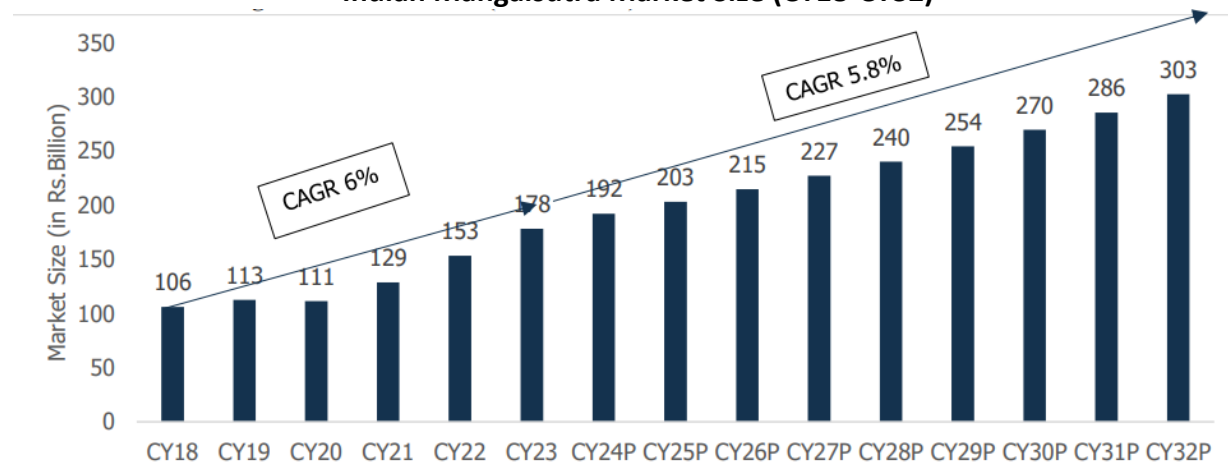
○ Unorganized Segment

The unorganized segment will continue to dominate the market due to deep-rooted cultural ties, strong customer relationships, and the trust placed in local jewellers. However, increasing competition from organized players, rising consumer preference for branded products, and government regulations aimed at formalizing the sector are driving gradual shifts. The implementation of hallmarking standards and GST has begun to erode the cost advantage traditionally enjoyed by unorganized jewellers. Yet, their flexibility in pricing, extensive product variety, and strong presence in rural areas will allow them to retain a significant share. Local jewellers often offer flexible payment options, such as allowing delivery first with payment in installments, which enhances their appeal. The segment's future will hinge on its ability to adapt to evolving consumer expectations and regulatory changes while maintaining its traditional strengths.

➤ Indian Mangalsutra Market

The cultural and spiritual importance of the Mangalsutra profoundly impacts Hindu marriages. It symbolizes marital status and is esteemed as a sacred thread is believed and extends the life of the spouse. This cultural relevance ensures that Mangalsutras are perpetually in demand across various Indian communities and regions. Its ritualistic value makes it an essential item for weddings, thereby maintaining a steady market demand. Mangalsutras in India are designed in numerous styles and patterns to reflect local customs and preferences. For instance, the Maharashtrian Mangalsutra differs significantly from those in North or South India. This diversity creates a large market for varied styles, allowing Jewellers to cater to regional preferences. The variation in regional design needs drives the demand for localized production and marketing strategies. In CY23, the Indian mangalsutra market reached Rs. 178 billion showing a y-o-y growth of ~16%. In CY24 the Indian Mangalsutra market is expected to grow by 8% y-o-y to Rs. 192 billion. The market is expected to grow at a compounded annual growth rate (CAGR) of 5.8% in the next 10 years to Rs 303 billion in CY32. The trend towards customization and personalization is growing in the jewellery industry, including for Mangalsutras. Customers increasingly seek unique designs tailored to their tastes and preferences. Customization options, which allow clients to choose specific patterns, designs, and materials, are becoming more popular among jewellers. This trend for personalized Mangalsutras meets the desire for distinctiveness and individual expression.

Indian Mangalsutra Market Size (CY18-CY32)

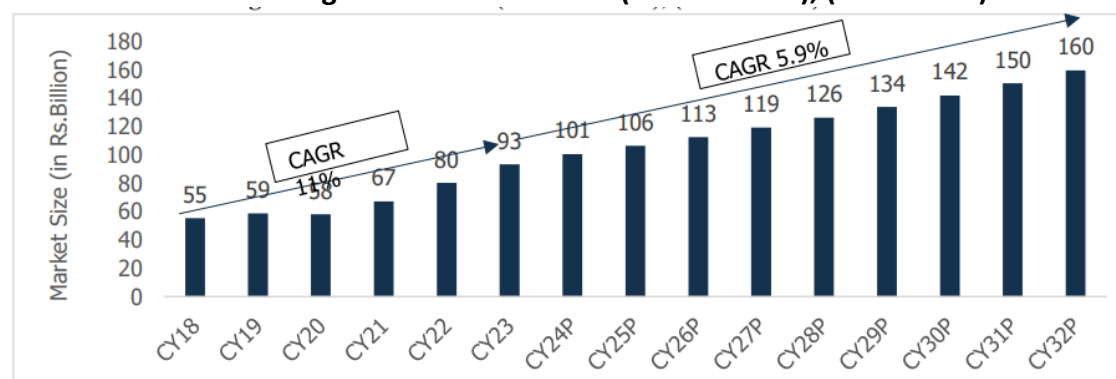


Source: IMARC Group, CareEdge Research

○ Gold Mangalsutra

In India, gold is deeply embedded in cultural and religious traditions. It plays a vital role in numerous rites and ceremonies, especially weddings, and is considered highly auspicious. The Mangalsutra, a symbol of marriage, is traditionally made from gold to align with these customs. Gold is chosen for Mangalsutras due to its association with wealth, purity, and divine blessings, which helps preserve the tradition across generations. Gold is also widely recognized as a dependable and secure investment. Its enduring value and historical appreciation make it a safe haven during economic uncertainties. Many Indian families view purchasing gold jewellery, like Mangalsutras, as a way to safeguard their wealth. The consistent demand for gold is driven by its investment potential, ensuring that Mangalsutras are valued not only for their cultural sign driven by its investment potential, ensuring that Mangalsutras are valued not only for their cultural significance but also for their potential financial benefits.

Indian Mangalsutra Market: Gold (in INR Billion), (CY18-CY32)

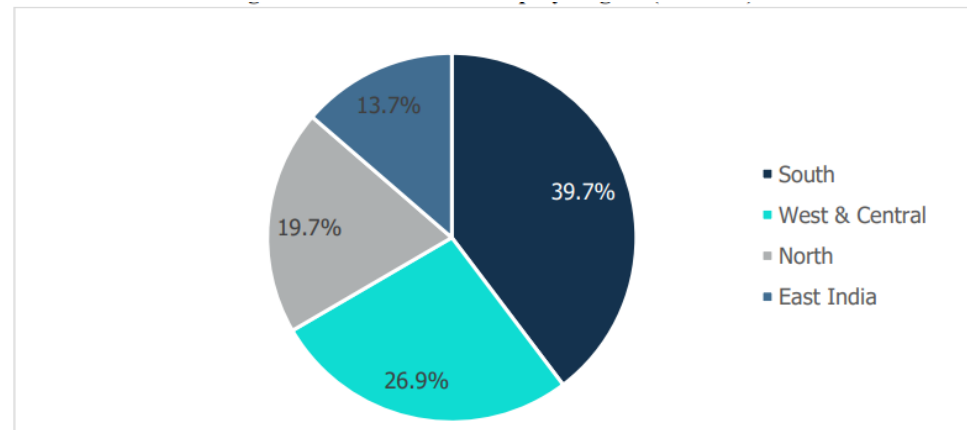


Source: IMARC Group, CareEdge Research

○ Segments of the Indian Mangalsutra Market -Region Type

Each region's market for mangalsutras is shaped by its cultural heritage, local preferences, and evolving trends, contributing to a diverse and dynamic marketplace across India. Traditional practices and local customs strongly influence the design and material choices for mangalsutras. Mangalsutra Market is further divided as per region. Southern India comprises of majority of the market share with 39.7% approximately, followed by the western and central regions comprising 26.9% market share, the northern region with 19.7% market share, and lastly East India with 13.7% market share. In South India, the wedding market is growing due to the elaborate ceremonies and rituals that elevate the demand for Mangalsutras as a key and symbolic part of bridal attire.

Indian Mangalsutra Market: Break up by Region (% share) for CY23



Source: IMARC Group, CareEdge Research

➤ Overall Industry Outlook- Jewellery & Mangalsutra

The Indian gems & jewellery industry witnessed weak performance in H1CY24, but demand is expected to recover in H2CY24, led by festive and wedding season purchases. Medium-term growth will be supported by easing inflation, stable geopolitical conditions, and expansion of organized retailers across India. Festivals such as Diwali, Akshaya Tritiya, and Dhanteras continue to drive significant seasonal gold demand (40–60 tonnes sold during these events). India also benefits from strong export opportunities, with the India-UAE CEPA enabling duty-free access for 90% of jewellery products, boosting international trade. Additionally, the reduction in BCD on gold and silver is expected to further support long-term demand.

The Mangalsutra market, deeply linked to weddings and cultural traditions, mirrors jewellery demand trends. Rising customization and personalization are driving consumer preference for unique designs. The Indian Mangalsutra market, valued at ₹178 billion in CY23, grew ~16% y-o-y, is estimated at ₹192 billion in CY24, and is projected to reach ₹303 billion by CY32 at a 5.8% CAGR. Wedding-driven purchases remain a key demand driver, reinforcing the long-term resilience of the Mangalsutra market.

Comparison with listed entity

Name of the company	Face Value (₹ per share)	Revenue from operations (₹ in millions)	Basic EPS	P/E	RONW (%)	NAV (₹)	P/BV (x)
Shringar House of Mangalsutra Ltd	10	14,298	8.5	26.4	36.2%	27.8	5.9
Listed Peers							
Utssav CZ Gold Jewels Ltd	10	6,463	11.6	16.0	30.9%	53.2	3.4
RBZ Jewellers Ltd	10	5,301	9.7	14.3	17.1%	61.2	2.2
Sky Gold & Diamonds Ltd	10	35,480	9.5	29.1	28.5%	46.6	5.9

*Note – 1) P/E, P/BV Ratio has been computed based on the closing market price of equity shares on NSE on Sept 05, 2025, other Financial highlights as 31st March 2025.

2) P/BV, NAV, EPS, P/E of the Shringar House of Mangalsutra is calculated on EPS of FY25, and post issue no. of equity shares issued.

Key Risk:

- **High dependence on Mangalsutra sales without long-term client contracts:** The Company derives a major share of revenue from Mangalsutra sales to corporate clients, retailers, and wholesalers, without long-term contracts; any loss or order cancellation from these clients could materially impact business performance and financial results.
- **Risk of under-utilisation of manufacturing capacity:** The Company operated at 69.0%, 70.0%, and 66.8% capacity utilisation in Fiscal 2025, 2024, and 2023, respectively. Sustained under-utilisation of existing or expanded capacities may adversely affect business operations, growth prospects, and financial performance.
- **High working capital requirements:** The Company's growth is dependent on significant working capital, with ₹2,800 million from net proceeds earmarked for funding requirements in Fiscal 2026. Any inability to secure working capital on commercially viable terms could adversely impact business operations, financial condition, and performance.
- **Dependence on a single manufacturing facility:** The Company's operations are concentrated in a single manufacturing facility in Mumbai, Maharashtra. Any slowdown, disruption, or adverse regional development could materially impact business continuity, financial condition, and cash flows.
- **Product concentration risk:** The Company derives 100% of its revenue from the sale of Mangalsutras. Any decline in demand, or inability to manufacture and supply this product, could materially affect business performance, cash flows, and financial condition.
- **Credit risk from rising trade receivables:** Trade receivables increased from ₹469.93 million in FY23 to ₹604.69 million in FY24 and further to ₹877.74 million in FY25. Delays in collections or customer defaults could reduce profitability and adversely impact business operations, cash flows, and financial condition.

Valuation:

Shringar House of Mangalsutra Ltd. is B2B player engaged in designing, manufacturing and marketing a varied range of Mangalsutra which contributed to around 6% of organized Mangalsutra market in India in CY23. The company offers an extensive range of Mangalsutra featuring over 15 collections and more than 10,000 active SKUs, catering to a diverse demographics. The 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.

The company has successfully positioned itself in the Indian jewellery market by combining traditional cultural value with modern design elements, creating a niche presence in a segment that is both heritage-driven and evolving with contemporary trends.

On the valuation front, based on annualized FY25 earnings, the company is seeking a P/E of 26 times, and a post-issue market capitalization of approximately Rs 15,911 million, making the issue appears to be fairly priced. The company’s operations are working-capital intensive, with upfront gold payments and 15–20 days client credit. As scale expands, working capital needs will rise, and IPO proceeds will be used to fund them. We also believe that the company is likely to benefit from the rising shift from unorganized to organised sector as well as the huge addressable market size of Mangalsutra, along with its plans to establish a new supply chain network to expand into untapped domestic markets and enter new international markets, We assign a **‘Subscribe for Long term’** rating for the IPO backed by Shringar’s robust growth, expanding client base, strong financials, and strategic expansion, enabling long-term value creation.



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Compliance officer-Deepak Kedia, email id - deepakkedia@rathi.com, Contact no. +91 22 6281 7000.

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ARSSBL registered address: Express Zone, A Wing, 10th Floor, Western Express Highway, Diagonally Opposite Oberoi Mall, Malad (E), Mumbai – 400097.

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