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Issue Details

Issue Details	
Issue Size (Value in ₹ million, Upper Band)	4,555
Fresh Issue (No. of Shares in Lakhs)	Nil
Offer for Sale (No. of Shares in Lakhs)	77
Bid/Issue opens on	30-Oct-25
Bid/Issue closes on	03-Nov-25
Face Value	₹ 5
Price Band	557-585
Minimum Lot	25

Objects of the Issue

- Fresh Issue: Nil
- Offer for sale: 4,555 million

Book Running Lead Managers	
ICICI Securities Limited	
IIFL Capital Services Limited	
Registrar to the Offer	
MUFG Intime India Private Limited	

Capital Structure (₹ million)	Aggregate Value
Authorized share capital	250.0
Subscribed paid up capital (Pre-Offer)	196.8
Paid up capital (Post - Offer)	196.8

Share Holding Pattern %	Pre-Issue	Post Issue
Promoters & Promoter group	78	59
Public	22	41
Total	100	100

Financials

Particulars (₹ In million)	3M FY26	FY25	FY24	FY23
Revenue from operations	1,492	5,290	4,992	1,492
Operating Expenses	1,189	4,388	4,391	1,189
EBITDA	303	902	601	303
Other Income	28	68	73	28
Depreciation	52	190	181	52
EBIT	279	780	493	279
Interest	2	16	28	2
PBT	277	764	464	277
Tax	74	254	191	133
PAT	202	696	572	331
EPS	5.1	17.7	14.5	8.4
Ratios	3M FY26	FY25	FY24	FY23
EBITDAM	20.3%	17.9%	17.1%	12.0%
PATM	13.6%	11.9%	10.8%	6.6%
Sales Growth	-	10.4%	5.9%	-

Sector- Auto and Auto Components

Company Description

Studds Accessories Limited is the largest two-wheeler helmets player in India in terms of revenue in Fiscal 2024 and also the world's largest two-wheeler helmet player by volume in Calendar Year 2024. Company is an established manufacturer with nearly five decades of experience. As on March 31, 2025, their Manufacturing Facilities I, II and III have a combined annualised capacity of producing 9.04 million units. They sold around 7.40 million helmets in Fiscal 2025. Their 'SMK' brand was launched in 2016 and is being successfully sold in India and exported to overseas markets. Both of their brands, namely, Studds and SMK, have been marketed and sold in more than 70 countries as of August 31, 2025. They design, manufacture, market and sell two-wheeler helmets under the 'Studds' and 'SMK' brands and other accessories (such as two-wheeler luggage, gloves, helmet locking device, rain suits, riding jacket and eye wear) under their 'Studds' brand. Their products are sold pan-India and in more than 70 countries internationally, with their key export markets situated across Americas, Asia (excluding India), Europe and rest of the world. They also manufacture helmets for Jay Squared LLC, which are sold under the "Daytona" brand in the United States of America, as well as for O'Neal under their branding, supplying to markets in Europe, United States of America and Australia.

Company is focused on capturing the opportunity for two-wheeler helmets globally, which is estimated to grow at a CAGR of 5.10% in value terms between calendar year 2024 to calendar year 2029, primarily fuelled by increasing urbanization, rising disposable incomes, heightened safety awareness, and government regulations mandating helmet use. Company believe that safety remains the cornerstone of their product philosophy, driving their efforts to meet rigorous safety standards while ensuring style, design, utility and quality. Company is focused on positioning SMK as an aspirational brand that appeals to the safety-conscious preferences of their customers in India and globally, while also catering to diverse price points and design sensibilities. Owing to their operational history of nearly five decades, their flagship brand 'Studds' is recognized as a popular brand in the two-wheeler helmet market in India. The Company had a market share of 27.30% in terms of volume and 25.50% in terms of value in the domestic market in Fiscal 2024. The safety, reliability and quality associated with a helmet brand are key attributes which increase customer confidence and influence a purchase decision. The Company believes that over time, their consistent focus on improving the safety features and quality of their helmets has helped in establishing their brands, Studds and SMK, as trusted brands amongst their customers.

Valuation

Studds Accessories Limited is the largest domestic manufacturer and seller of two-wheeler helmets in India, supported by a comprehensive and continuously evolving portfolio of designs and product variants across multiple price points to meet the diverse preferences, functional needs and affordability levels of consumers. The Company benefits from advanced manufacturing infrastructure and strong design and development capabilities, complemented by highly vertically integrated operations that span the entire production value chain. Additionally, Studds enjoys a robust pan-India presence and a steadily growing international footprint, enabled by an extensive and well-established sales and distribution network, while its adherence to stringent quality standards is reinforced by multiple major global and domestic accreditations.

At the upper price band company is valuing at P/E of 28.5x to its FY26 annualized earnings and market cap of ₹ 23,021 million post issue of equity shares.

We believe that the IPO is fully priced and recommend a "Subscribe-Long Term" rating to the IPO.

Strengths:

➤ Largest domestic player of two-wheeler helmets.

Company is the largest two-wheeler helmets player in India in terms of revenue in Fiscal 2024 and also the world’s largest two-wheeler helmet player by volume in Calendar Year 2024. They are an established manufacturer with nearly five decades of experience. They sold around 7.40 million helmets in Fiscal 2025. They believe that their strong market positions in the helmet and motorcycle accessories industry are a reflection of approximately five decades of industry experience, continuous product improvement and development, focus on safety, quality, and understanding the aspirational needs of their target customers. Over the last 50 years, they have developed the Studds brand as a trusted brand among customers by focusing on incorporating advanced head gear protection technology in their products and ensuring compliance with stringent quality and safety standards. Leveraging the brand recall and reputation of Studds, they strategically expanded into the premium two-wheeler helmet segment in the year 2016 through the launch of their brand SMK. SMK has emerged as the premium brand, which is being successfully exported to overseas markets. Their diversified brand portfolio under their Studds and SMK brands enables them to cater to the requirements of their target customers across price points including premium, mid-range, and mass economy segments. Company believe that they can effectively leverage their brand recall to increase their scale of operations, introduce new innovative product designs, and expand their presence into new geographies and markets. Their brands Studds and SMK have significantly contributed to their growth. Their brand logos are prominently displayed on all their products, and every product used by customers enhances their brand visibility and strengthens their brand recall. Company believe that their focus on style, design, quality, as well as safety, makes them a lifestyle choice for customers, and positions Studds as an aspirational brand in the mass market segment and SMK as an aspirational brand in the premium market segment. Company also sell motorcycle accessories, such as two-wheeler luggage, gloves, helmet locking devices, rain suits, riding jackets, and eyewear under the Studds brand. They regularly refresh their product offering by introducing innovative designs influenced by changing fashion trends and customer preferences. Their innovative designs, along with their strong focus on safety features and rigorous quality control over the last 50 years, have created trust and credibility in their brands among their target customers, which is one of their key strengths distinguishing them from their competitors.

➤ Advanced manufacturing and D&D capabilities with vertically integrated operations.

Company’s vertically integrated business model gives them control over their processes from raw material procurement, design, production and marketing to distribution and sales, and enhances their ability to respond to changing market trends and iterate prototypes with faster turnaround time, thereby reducing time to market and enabling faster product and design development cycles. They have developed their manufacturing processes based on nearly five decades of production experience and gradually created extensive vertical integration, which has allowed them to have better control over the quality of their products.

Their vertically integrated manufacturing processes, such as production of expanded polystyrene liners (EPS Liners), in-house helmet liners stitching facility, in-house decal facility, in-house mold making shop and design centre, and an in-house helmet testing laboratory, enable them to be cost efficient in relation to third-party manufacturing and allow them to have greater control over quality and safety at each stage of the manufacturing process. It also enables them to have quicker response time to customer requirements and complaints and provide timely after-sales support. Company have, and continue to, invest in automation of their manufacturing facilities by introducing advanced robotic machinery, such as laser-based automatic PP tape cutting machines with servo-controlled systems, robotic PC sheet cutting systems for their bicycle helmets and robotic painting concept, which will help in significantly reducing human intervention in the manufacturing process resulting in enhanced operational efficiencies.

By having greater control over the manufacturing process from prototyping to achieving the final product, they are able to minimize expenses, which allows them to have greater flexibility and control over their manufacturing processes and consistency in the quality of their products, resulting in economies of scale. As a result of their vertical integration, they are also able to significantly reduce the timeline from ideation to production of their designs and products. Their average turnaround time from design to manufacturing is nine (9) months for products under the ‘Studds’ brand and 14 months for products under the ‘SMK’ brand. They also manufacture moulds in-house which further helps in faster time from design to production. As on the date of this Red Herring Prospectus, they have four manufacturing facilities in India, with a fifth manufacturing facility currently under construction.

Their Manufacturing Facilities I, II and III are fully equipped with automated silicon hard coating facilities for visors, sputtering and metalizing technologies for coating visors, in-house helmet liners stitching facility, conveyORIZED assembly line, in-house mold making shop and design centre, in-house painting lines, automated fabric cutting lines and stitching lines, and an in-house helmet testing laboratory certified by Vehicle Certification Agency, England (VCA). Additionally, Manufacturing Facility IV produces Expanded Polystyrene Liners (EPS Liners) and water transfer decals used for captive consumption in Manufacturing Facilities I, II and III.

➤ Strong pan-India and global presence supported by an extensive and well-developed sales and distribution network and major quality accreditations.

Company sell their products primarily through their extensive distributor networks, OEMs, EBO’s, online retailers, quick commerce platforms, central stores department, central police canteen and institutional customers.

The table below provides a channel-wise breakdown of their sales of products in the three months ended June 30, 2025 and Fiscals 2025, 2024 and 2023:

Particulars	As at June 30, 2025		Fiscal 2025		Fiscal 2024		Fiscal 2023	
	Amount (₹ million)	Percentage of total sales (%)	Amount (₹ million)	Percentage of total sales (%)	Amount (₹ million)	Percentage of total sales (%)	Amount (₹ million)	Percentage of total sales (%)
Distributor Network and EBO	840	55.0	3,511	58.4	3,656	66.8	3,301	64.0
OEMs	180	11.8	932	15.5	903	16.5	728	14.1
E-commerce	73	4.8	254	4.2	60	1.1	97	1.9
Government channels	60	4.0	212	3.5	235	4.3	226	4.4
Others	35	2.3	133	2.2	89	1.6	126	2.4
Exports	340	22.2	971	16.2	532	9.7	679	13.2
Total	1,528	100.0	6,012	100.0	5,477	100.0	5,156	100.0

Key Strategies:

➤ Expand and strengthen the production capacity and deepen their vertical integration.

Company is the largest two-wheeler helmets player in India in terms of revenue in Fiscal 2024 and also the world’s largest two-wheeler helmet player by volume in Calendar Year 2024. They are an established manufacturer with nearly five decades of experience. They sell their products in more than 70 countries as of August 31, 2025. Their Manufacturing Facilities I, II and III are fully equipped with automated silicon hard coating facility for visors, sputtering and metalizing technologies available for coating visors, in-house helmet liners stitching facility, conveyORIZED assembly line, in-house mold making shop and design center, in-house painting lines, automated fabric cutting lines and stitching lines and an in-house helmet testing laboratory certified by Vehicle Certification Agency, England (VCA). Additionally, Manufacturing Facility IV produces Expanded Polystyrene Liners (EPS Liners) and water transfer decals used for captive consumption in Manufacturing Facilities I, II and III. Their large manufacturing facilities enable them to achieve economies of scale resulting in decreased cost of production per manufacturing facility.

Company is focused on capturing the opportunity for two-wheeler helmets globally, which is estimated to grow at a CAGR of 5.1% in value terms between calendar year 2024 to calendar year 2029, primarily fuelled by increasing urbanization, rising disposable incomes, heightened safety awareness, and government regulations mandating helmet use. The mandatory requirement for all motorcycle helmets to carry Indian Standards certification from the Bureau of Indian Standards is expected to drive further consolidation of the helmet market towards the organized segment. This shift is anticipated to boost the demand for ISI-certified helmets and contribute to the growth of market share for organized helmet manufacturers. They believe that they are well placed to benefit from the growth in the two-wheeler helmet industry by leveraging their existing market position in India, particularly the recognition of their brands, Studds and SMK, their quality standards and certifications, and the geographical spread of their distributor network. They intend to expand their production capabilities to aid their efforts in deepening their pan-India and global presence. They are currently building and developing one new under-construction manufacturing facility at plot number 927 Sector 68 Faridabad 121 004, Haryana, India (“Manufacturing Facility V”), for manufacturing two-wheeler helmets and accessories and bicycle helmets, which is expected to be completed and commissioned in Fiscal 2026. Their Manufacturing Facility V is in the same vicinity as their existing manufacturing facilities at Sector 68, Faridabad, Haryana, which will help them achieve greater manufacturing synergy. They believe that their new under-construction facility will further expand their production capabilities and allow them to capitalise on the growth of the two-wheeler helmet industry and related products.

➤ Strategically expand into new markets and geographies.

Utilizing their well-established global distributor network and OEMs, they will continue to expand their footprint in new geographical locations, particularly the North American, South American, and Association of Southeast Asian Nations (“ASEAN”) region markets. While they have presence in these global markets, their focus will be to increase their market presence and scale up their operations. They also intend to strategically evaluate options for inorganic expansion in other untapped markets, such as Vietnam, Peru, and Egypt, based on opportunities and synergy with their existing business. For instance, they recently acquired their subsidiary based in the U.S., Bikerz Inc., to expand their presence in North America. Company acquired Bikerz US, Inc. (wholly owned subsidiary of Bikerz Inc. (formerly known as Studds Canada)). Pursuant to a resolution passed by their Board dated June 22, 2024, and in accordance with the stock purchase agreement dated July 22, 2024, entered into between their Company, Bikerz US Inc. and Bikerz Inc. (formerly known as Studds Canada), their Company acquired 1,000 shares of Bikerz US Inc., representing 100.00% of the share capital of Bikerz US Inc., from Bikerz Inc. (formerly known as Studds Canada) and an additional 325 shares of Bikerz US Inc. for a consideration of USD 99,112.98 on May 14, 2025. Bikerz US is a U.S.-based company, incorporated in the year 2021. They believe that through their acquisition of Bikerz, they will be able to strengthen their distribution network in the USA. As part of their global growth strategy, they propose to establish a new subsidiary in Europe to strengthen their presence in Europe. Additionally, in certain key export markets, they intend to implement a distributor-direct approach instead of relying on distributors, enhancing their engagement with the market. To support this, they will also establish a warehouse in Europe to streamline logistics and improve delivery timelines.

➤ Increase their offering in the premium helmet segment in the Studds and SMK brand.

Company believe that their SMK brand has established its presence as a premium helmet brand in India and certain international markets. As they grow, they intend to also introduce premium offerings under the ‘Studds’ brand. They believe that launching products in the premium category under the ‘Studds’ brand (at a price which is lower compared to the helmets sold under the ‘SMK’ brand) will enable them to target and capture a broader base of consumers across different price points in the premium segment. The demand for premium two-wheeler helmets is primarily driven by the increasing sale of premium motorcycles, increase in disposable income, and growing replacement market for helmets.

Company intend to capitalize on this growth by leveraging the SMK and Studds brands and increasing their market share and sales in the premium two-wheeler helmet segment across various price points, internationally and in India. Company propose to increase the manufacturing capacity of SMK helmets and premium helmets under the 'Studds' brand in order to cater to the growing demand for premium two-wheeler helmets.

➤ **Expand the product portfolio.**

Company aim to leverage their existing suite of products, knowhow and manufacturing capabilities to produce niche products. In particular, they intend to expand the production of bicycle helmets and two-wheeler luggage and apparel. Company also intend to further grow their product offerings in niche segments, such as bicycle helmets and apparel. In the future, they also intend to enter into new aspirational product lines and target new consumer segments. As part of their business strategy, they intend to develop new and diversified two-wheeler lifestyle products targeted at niche customer segments that they believe will enable them in achieving higher margins.

➤ **Increase focus on domestic online sales channel.**

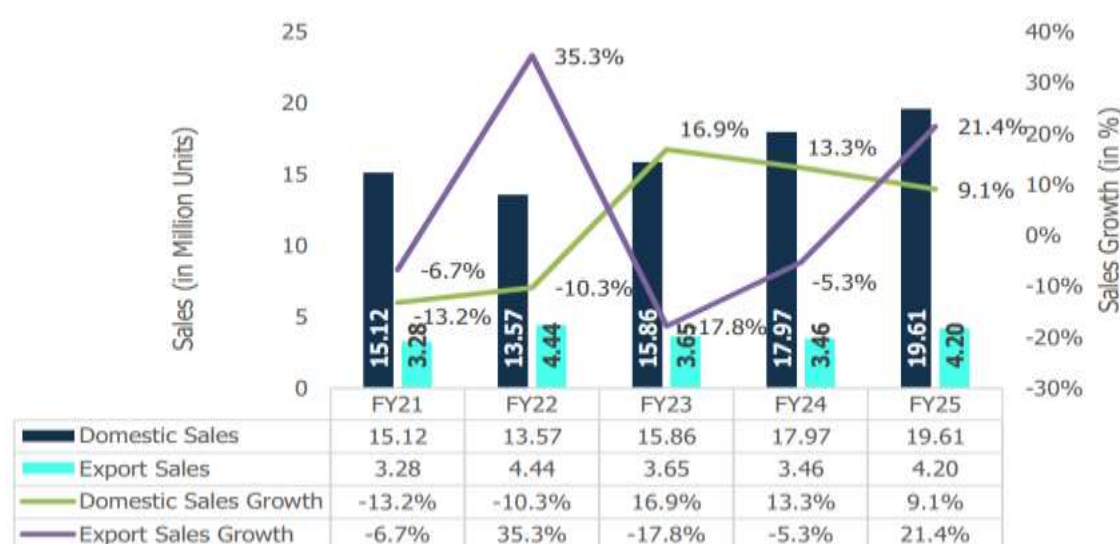
Company aim to invest further towards expansion of their online presence to serve more consumers across India and globally. At the same time, they seek to further leverage the synergies between the offline and online channels to create a seamless journey across touchpoints. Company currently sell their products through online retailers including reputed e-commerce and quick commerce platforms and their website, www.studds.com. They also plan to continue to increase their sales through online channels through their online platform as well as through online marketplaces. With the increasing use of the internet in India and the continued development of online channels and growing quick commerce platforms, they believe that they will be able to expand their customer reach and increase their sales through the digital channel with relatively low investments. They will continue to invest in their digital infrastructure to build further capabilities for delivering an integrated online-offline shopping experience. Company may also propose to launch a separate mobile application for an enhanced shopping experience.

Industry Snapshot:

The Indian 2W Industry

India has shown various moderations across domains of economy, geopolitics, and environment in the last few years. Regarding the Indian automobile industry, the two-wheeler (2Ws) segment takes the largest chunk of the pie, with around 77% share of the total domestic sales volume. The two-wheeler industry has three sub-segments namely, Motorcycles, Scooters, and Mopeds. This segment had witnessed around three consecutive years of the slowdown in domestic sales. The consumer demand dipped because of the rise in vehicle prices, commodity price escalations), high petrol prices, and inflationary headwinds, amid job losses and income uncertainty. The two-wheeler industry experienced a robust domestic sales growth of 9.1% year-on-year in FY25 compared to FY24. With the introduction of new models and attractive promotional offers, demand increased, especially in rural areas, fostering improved market sentiments. This uptick in demand was accompanied by heightened customer walk-ins and an overall positive market response. Additionally, recently announced GST rate cuts on two-wheelers coupled with better stock availability compared to the previous year and a favourable reception to newly launched entry-level products have set an optimistic tone for the upcoming festive season. Demand from both rural and urban markets, along with increased interest in electric two-wheelers, is expected to drive this growth. The distribution of harvest payments to farmers (Kharif season) and the festive season will also contribute to higher purchasing power.

Domestic Sales & Exports of Two-Wheeler Industry



The two-wheeler segment experienced a robust 17% growth in domestic sales volume in FY23, following a decline over the previous three fiscal years. Until FY19, the industry saw consistent growth, driven by favourable demographics, rising disposable incomes, urbanization, increased female workforce participation, inadequate public transport, higher two-wheeler financing, good monsoons, and rural optimism fuelled by improved farm incomes and strong replacement demand. However, between FY19 and FY22, the industry faced a slowdown, largely due to reduced mobility from the COVID-19 pandemic and semiconductor shortages. Consumer demand had weakened due to factors like rising vehicle and commodity prices, high fuel costs, and inflationary pressures, coupled with job losses and income uncertainty. This segment has reached the pre-pandemic level and domestic sales of FY20 level. The two-wheeler industry showed steady growth in the past years, from 13.8 million units in FY13 to 21.2 million unit sales in FY19 led by a favourable demographic profile, rising disposable income, increased urbanization, higher women's participation in the workforce, weak public transportation infrastructure, growing two-wheeler financing penetration, good monsoons, improved farm income leading to upbeat in rural sentiments, and strong grow demand.

Exports:

The Indian manufacturers have a reputation for delivering quality products at affordable prices. Motorcycles contribute 88% to the overall two-wheeler exports. The exports for two-wheelers rose by 21% y-o-y, during the FY25. Scooter shipments increased 11%, while motorcycle exports rose 23% during the same period. In FY24, the exports for two-wheelers had declined by 5% on y-o-y basis mainly due to global inflationary headwinds, rising oil and commodity prices, weakening of the local currency compared to the US dollar, uncertainty on import duties, local regulations and high base effect of FY22, which could not be fully adjusted for in FY23. Major export markets include Nepal, Sri Lanka, Bangladesh, Southeast Asian countries (Myanmar, Philippines, Singapore, Vietnam, Malaysia), African countries (Nigeria, Egypt) and Latin American countries (Argentina, Colombia, Venezuela).

Africa and Asian markets like Bangladesh, Nepal, and Sri Lanka have been reeling under global macroeconomic pressures due to currency devaluation, high inflation and low disposable income. Along with that, weak macro in SAARC and African markets also lead to decline in exports. Whereas African and Asian markets like Bangladesh, Nepal, and Sri Lanka have been reeling under global macroeconomic pressures due to high inflation and low disposable income. Additionally, global inflationary headwinds, rising oil and commodity prices, weakening of the local currency compared to the US dollar, uncertainty on import duties, local regulations, and the high base effect of FY22 contributed to declined exports. Nigeria's market would continue to be impacted by the demonetization effect and high inflation after COVID-19. However, young demographics across the region and an increasing road network will lead to some sales growth. Ethiopia is affected by drought, ongoing civil conflict, and foreign exchange shortages in the market.

Whereas Bangladesh's market has seen a depreciation in its currency along with the precipitation of economic woes. Similarly, the LATAM region is also impacted by high inflation rates because of high energy and food prices. Furthermore, the recent appreciation of the US dollar has led to currency depreciation in most emerging economies, further impacting their imports negatively. This has also impacted the affordability of two-wheelers in emerging economies. Moreover, customers purchasing power has reduced globally due to inflation, civil, and economic uncertainty in some countries and higher financing costs. This higher level of inflation is impacting consumption patterns in some countries, which has led to a pause in the demand for products such as two-wheelers.

Similarly, currency devaluation and lower affordability have led to postponement of purchases. The two-wheeler segment is impacted by purchasing power given most two-wheeler exports are in the entry-segment (75-125cc) motorcycles. Customers in a few export markets are also switching to used bikes or deferring purchases. Motorcycle exports have declined due to competition and shifting demand, while scooter exports have risen, driven by increasing global popularity and urban market preferences for fuel-efficient, feature-rich vehicles. Many two-wheeler companies are working on their export strategies and focusing on entering new markets such as New Zealand, Australia, Columbia, and the Philippines.

Growth Drivers of Two-wheeler industry

The growth of India's two-wheeler industry is driven by several key factors:

- 1. Rising Disposable Incomes and Middle-Class Expansion:** As disposable incomes increase, especially in rural and semi-urban areas, more individuals can afford two-wheelers, driving up demand. The expanding middle class is also a major contributor to this growth.
- 2. Urbanization and Traffic Congestion:** With growing urbanization, two-wheelers are becoming a preferred mode of transportation due to their affordability, fuel efficiency, and ability to navigate through congested traffic more easily than four-wheelers.
- 3. GST Rate cuts:** The Indian government announced GST rate reductions across various products and services, including the two-wheeler segment (<=350cc). This move is expected to enhance affordability and, in turn, stimulate demand in the sector.
- 4. Growing Demand in Rural Areas:** Two-wheelers play a crucial role in rural regions where public transportation is limited, offering an affordable and dependable mode of transport, which drives the sector's growth. A normal monsoon this year, along with increasing rural incomes, is expected to boost demand for two-wheelers in rural markets.
- 5. Shift Towards Electric Vehicles (EVs):** The push for greener transportation, backed by government incentives for electric vehicles (EVs), is driving growth in the electric two-wheeler segment and contributing to the industry's expansion. In FY24, electric two-wheelers made up around 5% of the market, with this share expected to rise due to government subsidies like FAME and PM E-DRIVE, improving charging infrastructure, rising fuel costs, and advancements in battery technology. Increasing consumer awareness of environmental concerns and the entry of new manufacturers are also key factors supporting the growing adoption of electric two-wheelers in the medium term.

Outlook on two-wheeler industry

The two-wheeler domestic sales volume is expected to grow by 7-9% in FY26 after healthy growth in last 2 years with new model launches, upcoming festivals, wedding season, and ease in supplies of chips and semiconductors. Simultaneously, this would support volumes of premium products and electric vehicle expansion. Whereas the thriving premium and scooter segments will drive demand. Also, above normal monsoons play a supportive role for the two-wheeler growth in the rural segment. Further, the two-wheeler auto domestic sales are expected to grow with a CAGR of 5%-6% over the period of FY25-30. The growth is expected to be led by improving rural and urban demand and increasing demand for electric two-wheelers. Outlook on two-wheeler industry The two-wheeler domestic sales volume is expected to grow by 7-9% in FY26 after healthy growth in last 2 years with new model launches, upcoming festivals, wedding season, and ease in supplies of chips and semiconductors. Simultaneously, this would support volumes of premium products and electric vehicle expansion. Whereas the thriving premium and scooter segments will drive demand. Also, above normal monsoons play a supportive role for the two-wheeler growth in the rural segment. Further, the two-wheeler auto domestic sales are expected to grow with a CAGR of 5%-6% over the period of FY25-30. The growth is expected to be led by improving rural and urban demand and increasing demand for electric two-wheelers.

Forecast of Domestic Sales of Two-Wheeler Industry

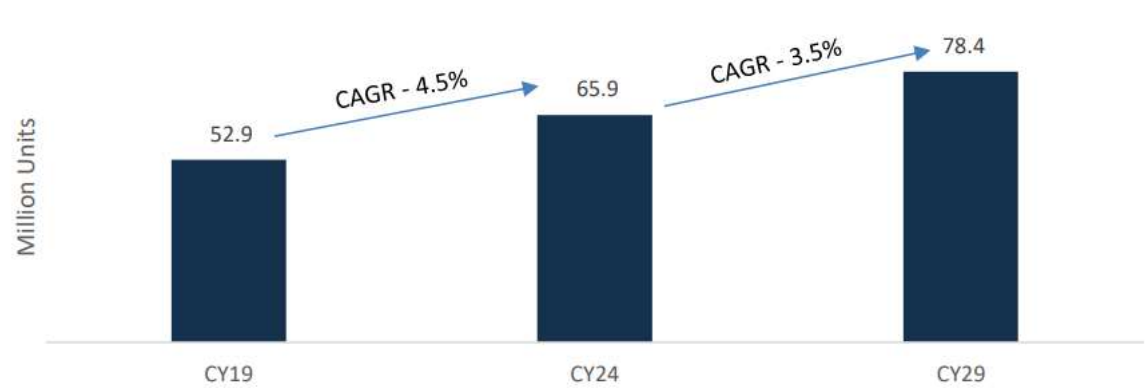


Two-Wheeler Helmet Industry

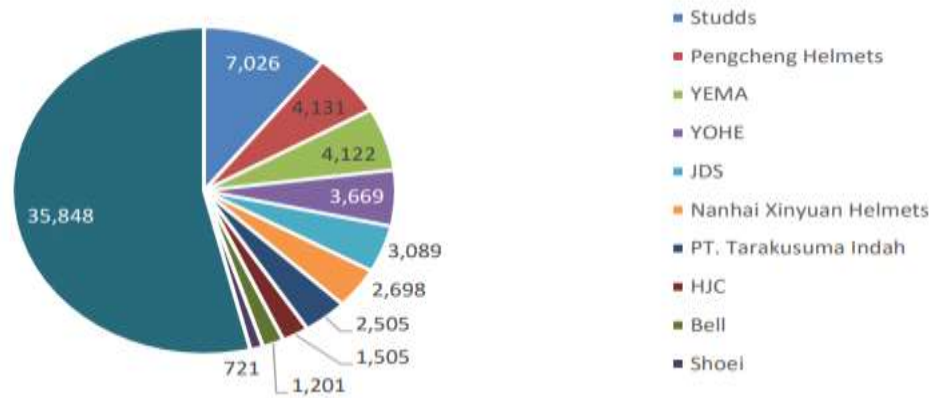
Global Market

The global two-wheeler helmets market is witnessing steady growth, driven by increasing awareness about road safety, stringent government regulations mandating helmet use, and the rising demand for two-wheelers, especially in developing regions. Urbanization, rising disposable incomes, and advancements in helmet technology are key drivers of the global two-wheeler helmets market. Higher disposable incomes enable consumers to invest in premium helmets with better safety features. Additionally, innovations like smart helmets with Bluetooth, GPS, and built-in cameras are attracting tech-savvy buyers, further boosting market growth. These factors collectively contribute to the expanding demand for helmets worldwide. The global two-wheeler helmets market is segmented based on product type, including full-face, open-face, half face, and modular helmets, among others. It is also classified by materials and distribution channels. The Asia Pacific region, particularly India and China, holds a dominant position in the market, accounting for around 51% of the total units sold in CY24. This leadership is driven by the high ownership of two-wheelers in these countries, coupled with growing safety concerns and stricter enforcement of helmet-wearing regulations, positioning the region as a key driver of market growth.

Global Two-wheeler helmet market size trend

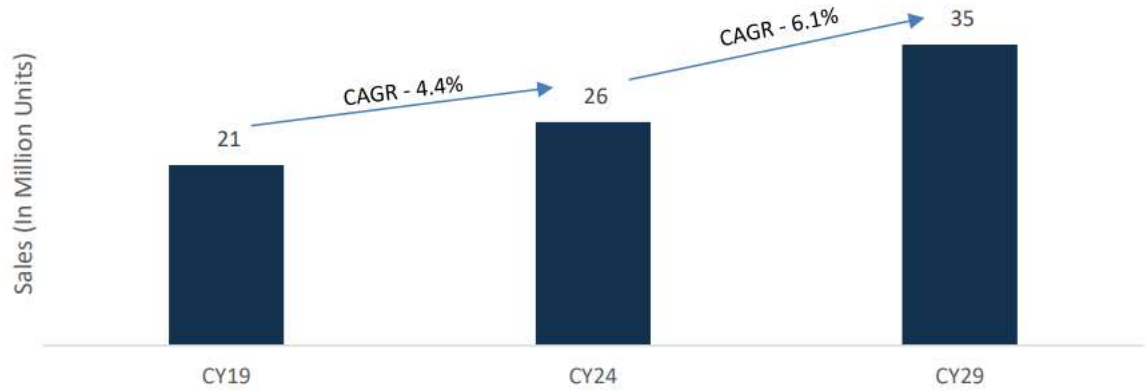


Market share in total helmets sold in CY24 (In Thousand units)



Indian Two-wheeler helmet market size

Indian Helmet market size



India is one of the largest two-wheeler helmet market. The Indian two-wheeler helmets market experienced a 4.4% CAGR in unit sales from CY19 to CY24, driven by factors such as growing urbanization, rising disposable incomes, increased safety awareness, and the enforcement of government regulations mandating helmet use. The market is anticipated to expand at a CAGR of 6.1% in volume and 8.7% in value between CY24 and CY29, owing to factors such as the market nearing saturation in urban areas, a slower pace of income growth, stable regulatory enforcement, and a shift in consumer focus from basic safety to higher-quality, feature-rich helmets. The mandatory helmet requirement for pillion riders could also lead to a notable increase in demand, resulting in more steady growth in the coming years. Studds Accessories Limited (SAL) had a market share of 27.3% in terms of volume and 25.5% in terms of value, in the domestic market in FY24.

- Accounting ratios

Particulars	Metric	Three months ended June 30, 2025	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from Operations	₹ in million	1,492	5,838	5,290	4,992
Total Income	₹ in million	1,520	5,959	5,358	5,065
Revenue Growth (Y-o-Y)	%	N.A.	10.4	6.0	7.9
EBITDA	₹ in million	303	1,048	902	601
EBITDA Margin	%	20.3	18.0	17.1	12.0
PAT	₹ in million	202	696	572	331
PAT Margin	%	13.6	11.9	10.8	6.6
RoNW	%	4.3	15.5	14.8	9.8
RoCE	%	5.7	20.3	19.0	12.8

Key Risk:

- The sales of their products will suffer if they are unable to maintain and/ or enhance the ‘Studds’ and ‘SMK’ brands, which would have a material adverse effect on the business, financial condition, results of operations and brand equity.
- The sale of two-wheeler helmets manufactured by them contributes a significant portion to total sales (92.81%, 92.43%, 92.44% and 91.91% for the three months ended June 30, 2025 and Fiscals 2025, 2024, and 2023, respectively). Any decrease in motorcycle sales could have an adverse effect on their business, cash flows, results of operation and financial position.
- Company’s continued operations at their manufacturing facilities are critical to their business and any disruption, breakdown or shutdown of their manufacturing facilities may have a material adverse effect on their business, financial condition, results of operations and cash flows.
- Company incur significant expenses in relation to the procurement of their primary raw materials. In the event they are unable to procure adequate amounts of raw material, at competitive prices, their business, results of operations and financial condition may be adversely affected. Further, company do not generally enter into agreements with the suppliers and accordingly may face disruptions in supply from the current suppliers.
- In the past, for instance designs for their products, such as, Stellar – Wings were not well received by customers in the three months ended June 30, 2025 and Fiscals 2025, 2024 and 2023 and if they are unable to provide new designs or update their product catalogue in accordance with customer preference, it may adversely affect the business prospects, results of operations and cash flows.
- Company is dependent on certain raw material suppliers (which accounted for more than 40% in the three months ended June 30, 2025 and Fiscals 2025, 2024 and 2023). Any disruption in their operations or the inability of such suppliers to supply the raw materials in the quantities they require, may have an adverse effect on their business, results of operations and financial condition.

Valuation:

Studds Accessories Limited is the largest domestic manufacturer and seller of two-wheeler helmets in India, supported by a comprehensive and continuously evolving portfolio of designs and product variants across multiple price points to meet the diverse preferences, functional needs and affordability levels of consumers. The Company benefits from advanced manufacturing infrastructure and strong design and development capabilities, complemented by highly vertically integrated operations that span the entire production value chain. Additionally, Studds enjoys a robust pan-India presence and a steadily growing international footprint, enabled by an extensive and well-established sales and distribution network, while its adherence to stringent quality standards is reinforced by multiple major global and domestic accreditations.

At the upper price band company is valuing at P/E of 28.5x to its FY26 annualized earnings and market cap of ₹ 23,021 million post issue of equity shares.

We believe that the IPO is fully priced and recommend a “**Subscribe-Long Term**” rating to the IPO.

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