

**Rating: Neutral**

**Issue Offer**

**Fresh Issue of 2,43,00,000 shares up to INR 4009.5 Mn by Promoters**

**Issue Summary**

Price Band (INR)	155-165
Face Value (INR)	10
Implied Market Cap (INR mn)	15,911.3
Market Lot	90
Issue Opens on	Sept 10, 2025
Issue Close on	Sept 12, 2025
No. of share pre-issue	7,21,32,080
No. of share post issue	9,64,32,080
Listing	NSE / BSE

**Issue Break-up (%)**

QIB Portion	≤50
NIB Portion	≥15
Retail Portion	≥35

**Book Running Lead Managers**

Choice Capital Advisors Pvt Ltd

**Registrar**

MUFG Intimate India Pvt Ltd

**Shareholding Pattern**

	Pre-Issue	Post-Issue
Promoters	99.99%	74.80%
Public & Others	0.01%	25.20%

**Objects of the issue**

Funding working capital requirements

General Proceeds

**Abhishek Jain**

[abhishek.jain@arihantcapital.com](mailto:abhishek.jain@arihantcapital.com)

022-67114871

Shringar House of Mangalsutra Limited is among the leading specialised designers and manufacturers of Mangalsutras in India, contributing ~6% of the organised market in CY23. Incorporated in 2009, the company has built its expertise around a single core product - Mangalsutras, offering over 15 collections and 10,000+ active SKUs that blend traditional craftsmanship with contemporary aesthetics. With a strong domestic presence across 24 states and 4 union territories, and an expanding international footprint in markets such as the UK, USA, UAE, New Zealand, and Fiji, SHOML serves marquee corporate clients including Titan, Malabar Gold, Reliance Retail, and Joyalukkas. Backed by three generations of promoter experience and a team of 22 in-house designers, 166 karigars, and third-party artisans, the company operates an integrated 8,300 sq. ft. manufacturing facility in Mumbai.

**Investment Rationale**

**Established and Diverse Client Base:** The company has over 15 years of experience and has built strong, long-term relationships with a diverse range of clients, including corporate clients, wholesale jewelers, and retailers. This broad client base spans 24 states and four union territories in India, as well as five international countries, which provides revenue visibility and stability. The company's top clients, such as Malabar Gold Limited and Titan Company Limited, have been customers for many years, highlighting the strength of these relationships.

**Integrated and Innovative Manufacturing:** The company operates an integrated manufacturing facility that covers the entire process from conceptualization and design to production. This 8,300 sq ft facility has an installed capacity of 2,500 kg per annum. By combining modern technology like CNC machines and 3D printers with the traditional craftsmanship of 166 in-house Karigars (artisans), the company can produce intricate, high-quality designs and ensure consistency and quality control.

**Leveraging the B2B Business Model for Stability and Growth:** The company's focus on a B2B model provides a significant advantage over a direct-to-consumer (B2C) approach. By primarily serving other businesses like wholesalers, retailers, and corporate clients, the company benefits from large, recurring orders and longer-term contracts. This model inherently provides greater revenue stability and predictability compared to the more volatile consumer-driven market.

**Valuation & Outlook:** The company has delivered consistent revenue growth with sustained profitability, supported by strong financial discipline and operational efficiency. Its integrated manufacturing facility, coupled with a focus on design innovation and quality control, will allow it to meet the growing demand for personalized and high-quality products. The company also operates in a niche and growing market, and its focus on the B2B segment with long-standing client relationships provides a competitive advantage. At the upper band of INR 165, the issue is valued at a P/E ratio of 26.04x, based on FY25 EPS of INR 6.3. We are recommending a "Neutral" rating for this issue.

**Financial Information:**

Particulars (INR Mn)	FY23	FY24	FY25
Revenue	9,502.17	11,015.23	14,298.15
Growth (% YoY)		15.92%	29.80%
EBITDA	388.86	507.56	926.12
Margins	6.48%	4.61%	4.09%
PAT	233.58	311.05	611.14
Margins	2.46%	2.82%	4.27%
Debt	931.87	1,100.91	1,231.11

**Arihant Research Desk**

Email: [instresearch@arihantcapital.com](mailto:instresearch@arihantcapital.com)

Tel. : 022-42254800

Head Office	Registered Office
#1011, Solitaire Corporate Park Building No. 10, 1 <sup>st</sup> Floor Andheri Ghatkopar Link Road Chakala, Andheri (E) Mumbai – 400093 Tel: (91-22) 42254800 Fax: (91-22) 42254880	Arihant House E-5 Ratlam Kothi Indore - 452003, (M.P.) Tel: (91-731) 3016100 Fax: (91-731) 3016199

Stock Rating Scale	Absolute Return
BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

Research Analyst Registration No.	Contact	Website	Email Id
<b>INH000002764</b>	<b>SMS: 'Arihant' to 56677</b>	<a href="http://www.arihantcapital.com">www.arihantcapital.com</a>	<a href="mailto:instresearch@arihantcapital.com">instresearch@arihantcapital.com</a>

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Arihant Capital Markets Ltd.  
1011, Solitaire Corporate park, Building No. 10, 1st Floor,  
Andheri Ghatkopar Link Road, Chakala, Andheri (E)  
Tel. 022-42254800 Fax. 022-42254880

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