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STUDDS ACCESSORIES LIMITED

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IPO Report

29th Oct '25

Snapshot

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. Company is an established manufacturer with nearly five decades of experience As on March 31, 2025, company's manufacturing Facilities I, II and III have a combined annualised capacity of producing 9.04 million units.

Company sold around 7.40 million helmets in Fiscal 2025. Company's '*SMK*' brand was launched in 2016 and is being successfully sold in India and exported to overseas market .Both of company's brands, namely, *Studds* and *SMK*, have been marketed and sold in more than 70 countries as of August 31, 2025.

VALUATION

Company is bringing the issue at price band of Rs 557-585 per share at p/e multiple of approx. 28x on post issue FY25 basis. Company is largest domestic player of two-wheeler helmets, company has wide design and product catalogue across price points catering to diverse consumer requirements. Company has advanced manufacturing and D&D capabilities with vertically integrated operations. Company has strong pan-India and global presence supported by an extensive and well-developed sales and distribution network and major quality accreditations with capital efficient and sustainable business model. Hence, we recommend "Subscribe" to the issue.

Price Band (Rs./Share)	**557-585**
Opening date of the issue	**30th Oct '2025**
Closing Date of the issue	**03rd Nov '2025**
No of shares pre issue	3,93,53,400 Eq Shares
Issue Size	Rs 434-455 Cr
Offer For Sale	77,86,120 Eq Shares
Face Value (Rs/ share)	Rs 5/share
Bid Lot	25
BIDDING DETAILS	
QIBs (Including Anchor)	50% of the offer (Approx 38,93,060 Eq Shares)
Non-Institutional	15% of the offer (Approx 11,67,918 Eq Shares)
Retail	35% of the offer (Approx 27,25,142 Eq Shares)
Lead managers	IIFL Capital Services, ICICI Securities
Registrar to the issue	MUFG Intime India Pvt Ltd

WHAT WE LIKE

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. Company is an established manufacturer with nearly five decades of experience .Company sold around 7.40 million helmets in Fiscal 2025.

Wide design and product catalogue across price points catering to diverse consumer requirements

Company have a comprehensive portfolio of products with over 240 plus different styles and designs of helmets in various sizes and colours across the two-wheeler helmet categories as of August 31, 2025. Company currently manufacture two-wheeler helmets in various categories including full-face helmet, flip-up full-face helmets, flipoff full face helmets, off-road full-face helmets, open face helmets.

Capital efficient and sustainable business model

Company have a scalable business model which relies on its brand recall, its integrated operations and its distribution network. Company's brand logos are prominently displayed on its products and each product sold by company enhances its brand visibility and recall, which allows company to undertake minimal advertising expenses. The synergies from company's integrated operations help company in reducing its operating expenses and enable company to upscale its operations in an efficient and seamless manner. Company's large distribution network, which includes domestic distributors, importers and two-wheeler OEMs, allows company to expand company's geographical reach without incurring significant capital expenditure.

COMPANY BACKGROUND

Company 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 its ‘Studds’ brand. Company’s products are sold pan-India and in more than 70 countries internationally, with its key export markets situated across Americas, Asia (excluding India), Europe and rest of the world. Company 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 its product philosophy, driving company’s 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 company’s customers in India and globally, while also catering to diverse price points and design sensibilities.

Company operate four manufacturing facilities in Faridabad, India. Company’s manufacturing Facility II, III and IV are situated over land owned by company. Manufacturing Facility I is situated on land which is partially owned by Company, while the other portion is on leasehold basis. Company’s manufacturing Facility 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, company’s Manufacturing Facility IV produces Expanded Polystyrene Liners (EPS Liners) and water transfer decals used for captive consumption in Manufacturing Facilities I, II and III. Company’s Manufacturing Facility IV has an in-house production line for Expanded Polystyrene (“EPS”), an important component for helmet safety, bicycle helmets and helmet water slide transfers. Additionally, company have arrangements with three, third-party logistics service providers (3PL)— one each in Faridabad, Bangalore and the United States (operated by Bikez US Inc.) — to support inventory management and facilitate distribution. Further, each of company’s manufacturing facilities includes in-house warehousing infrastructure for storage and dispatch of its finished products

Additionally, Manufacturing Facility V is currently under construction and is expected to be completed and commissioned in Fiscal 2026. This new under-construction facility is being developed to further increase company’s production capacity and meet growing demand for two wheeler helmets in India. Through company’s Subsidiary, Bikerz US Inc, company is able to work with third-party logistics warehouse to manage inventory efficiently and have an onground presence to ensure streamlined supply chain operations for its customers in the United States of America.

Company have a strong distributor network across urban, semi urban and rural parts of India. As on August 31, 2025, company sold its products through 363 active distributors in India and exported to more than 70 countries. Company have also entered into agreements/arrangements for supply of helmets and motorcycle lifestyle accessories with motorcycle OEMs such as Honda Cars India Limited, Hero MotoCorp Limited, Suzuki Motorcycle India Private Limited, Eicher Motors Limited (Royal Enfield) and India Yamaha Motor Private Limited. Company supply its products to government and institutional customers such as the Central Police Canteens and the Canteen Stores Department.

OBJECTS OF OFFER

The objects of the Offer are to (i) to carry out the Offer for Sale of up to 7,786,120 Equity Shares of face value of ₹5 each by the Selling Shareholders; and (ii) achieve the benefits of listing the Equity Shares on the Stock Exchanges.

RISKS

The sales of company’s products will suffer if company is unable to maintain and/ or enhance the ‘Studds’ and ‘SMK’ brands, which would have a material adverse effect on company’s business, financial condition, results of operations and brand equity.

Source:RHP

Consolidated Financials

(Rs in Mn)

Financials	FY23	FY24	FY25	Q1FY26
Total Revenue (A)	4991.69	5290.23	5838.16	1491.83
Total Expenditure (B)	4391.16	4388.31	4789.76	1189.21
EBIDTA	600.53	901.92	1048.40	302.62
EBIDTA Margin	12.03	17.05	17.96	20.29
Other Income	73.11	68.15	120.74	28.28
Depreciation	181.01	190.28	206.69	51.78
EBIT	492.63	779.79	962.45	279.12
Interest	28.21	16.06	12.17	2.44
PBT	464.42	763.73	950.28	276.68
Share of profit in Asso	0.00	0.00	0.00	0.00
PBIT	464.42	763.73	950.28	276.68
Exceptional	0.00	0.00	0.00	0.00
PBT	464.42	763.73	950.28	276.68
Tax	132.94	191.48	253.87	74.22
PAT	331.48	572.25	696.41	202.46
NPM	6.64	10.82	11.93	13.57
ROE%	9.81	14.77	15.49	4.31
EPS	8.42	14.54	17.70	5.14
Eq Cap	98.38	98.38	196.77	196.77
Net Worth	3,380.21	3,877.05	4,494.75	4,697.68

(Source: RHP)

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