

# PRE-IPO NOTE

## Basic Parameters

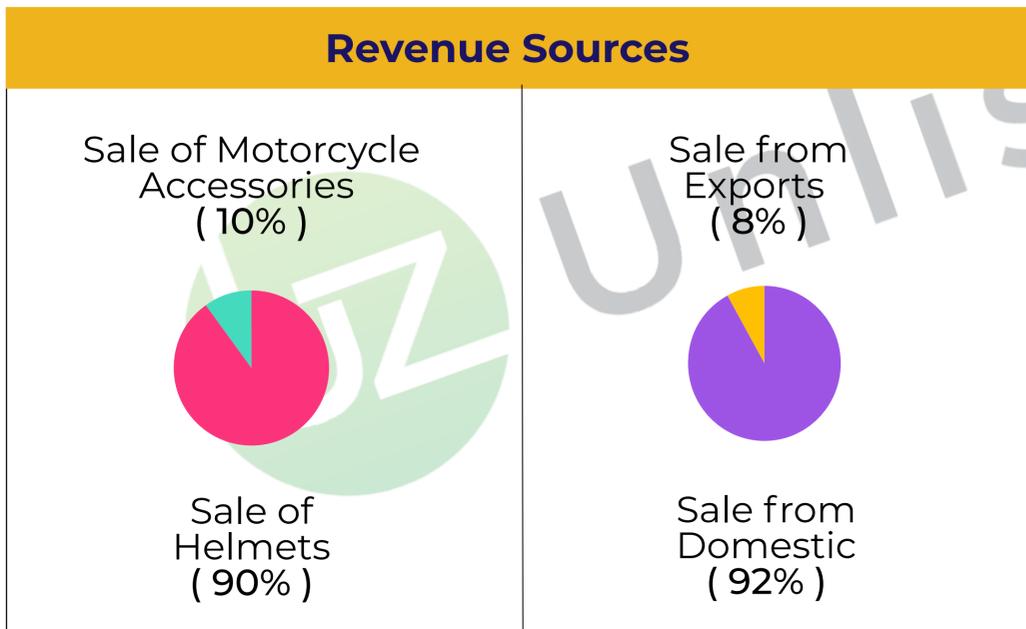
M Cap.	2000 Cr.
CMP	₹1000
52 W H/L	2200/950
Face Value	₹ 5
No. of Shares	1.96 Cr.

## Financials

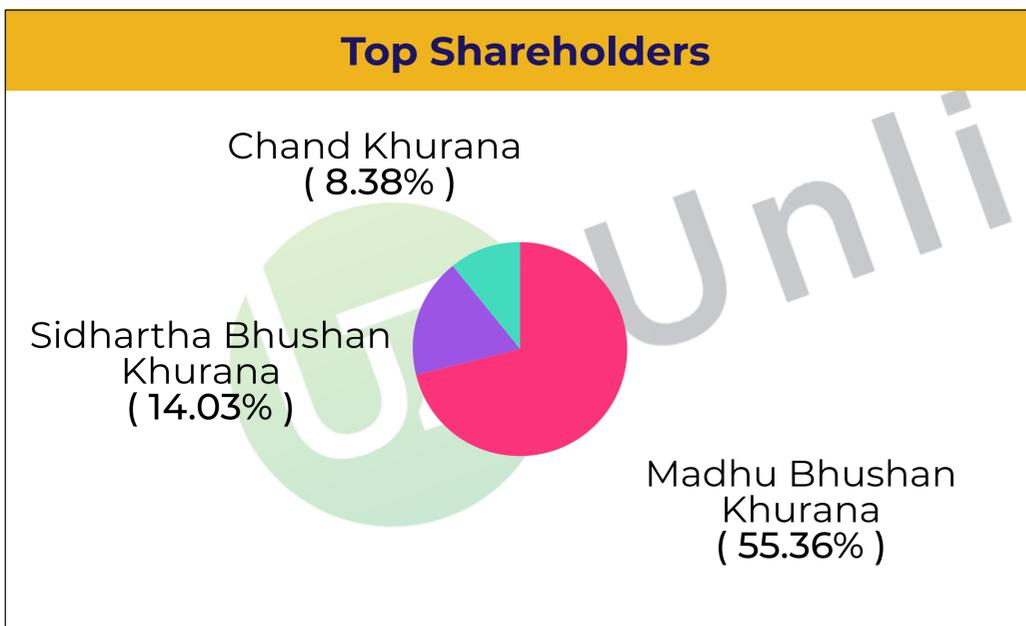
Particulars	FY22	FY21	FY20
Revenue	467	484	436
EBITDA	59	111	103
PAT	28	74	74
EPS	15	37	37

(in Cr.)

## Revenue Sources



## Top Shareholders



## About Studds

- Studds, founded in 1983 by Mr. Madhu Bhushan Khurana and headquartered in Faridabad, makes helmets and luggage boxes for two-wheelers, which it sells through a network of non-exclusive dealers throughout India.
- The company has 4 manufacturing plants in Ballabhgarh (Faridabad) with annual capacity of 1.35 Cr helmets.
- SMK Europe Unipessoal LDA is a 100% subsidiary of Studds which caters to european market helmet need.
- The company is a market leader in helmet manufacturing and currently has 27% market share in India.

## Triggers of Studds

- The management has experience of 4 decades and company has well established brands such as Studds and SMK in the helmet market.
- Last year company has done capacity expansion to meet the growing demand of helmets after government has mandated use of BIS certified helmets
- In Q1FY23 all the two wheelers manufacturers have shown increased growth in sale of 2W.

## Weaknesses for Studds

- The main competition for Studds is from unorganised players in the market as well as from established brand such as SteelBird and Vega due to which prices of helmets will always be competitive.
- 50% of the Studds raw material is derived from cruod oil. So, fluctuation in currency and oil prices may put pressure on gross margins of Studds

## Valuation of Studds

Currently, in the unlisted market, the Studds Shares are available at Rs. 1000 per share, on that basis, Mcap is ~2000 Crores.

