Retail Research	IPO Note
Sector: Auto Ancillary	Price Band (Rs): 557 – 585
28th October 2025	Recommendation: SUBSCRIBE

Studds Accessories Ltd.

Company Overview:

Studds Accessories Ltd. (SAL) is the largest two-wheeler helmet manufacturer in India and globally. The company designs, manufactures, markets and sells two-wheeler helmets under the 'Studds' and 'SMK' brands. SAL also offers two-wheeler accessories such as two-wheeler luggage, gloves, helmet locking device, rain suits, riding jacket and eye wear under its 'Studds' brand. The company has a pan-India presence along with exposure in more than 70 countries internationally, with key export markets being America, Asia and Europe. SAL also manufactures helmets for Jay Squared LLC, which are sold under the Daytona brand in the USA, as well as for O'Neal, which are supplied across Europe, the USA and Australia. SAL has 4 manufacturing facilities at Faridabad (Haryana) with a combined manufacturing capacity of ~9 mn units annually and a fifth manufacturing facility is currently under-construction.

Key Highlights:

1. Wide product offerings: The company offers a wide and diversified catalogue of helmets and motorcycle accessories catering to mass consumer and premium segments**.** **'**Studds' brand caters to the mass commuter segment in India and other exports markets such as Philippines and Indonesia while the 'SMK' brand caters to a segment of premium and aspirational biker enthusiasts with high performance motorcycles in India and the mid-market segment in Europe. The company manufactures two-wheeler helmets in various categories including full-face helmet, flip-up full-face helmets, flip-off full face helmets, off-road full-face helmets, open face helmets. Two-wheeler helmets under the 'Studds' brand retail between MRP of Rs 875-4,000 while helmets under the 'SMK' brand retail between MRP of Rs 3,000-12,800. A wide product catalogue allows SAL to cater across all market segments and price-points. During FY24, SAL had a market share of 27.3% in terms of volume and 25.5% in terms of value in domestic market, showcasing strength of wide product catalogue.

2. Advanced manufacturing and D&D capabilities: SAL's vertically integrated manufacturing process such as production of EPS liners, in-house helmet liner stitching facilities, decal facility, mold making shop, design centre and testing facilities enables control over process and enables it to respond to changing market trends and iterate prototypes with faster turnaround time, aiding faster product and design development cycle. The backward integration helps in cost efficiency and allows for a greater control over quality and safety at each manufacturing stage. The company has a dedicated design and development (D&D) team which includes 19 designers and 56 other members as of Aug'25.

3. Extensive distribution reach: The company primarily sells its products through an extensive network of distributors, OEMs, EBOs, online retailers, q-commerce platforms etc. As of Aug'25, SAL has tie-ups with 363 active distributors in India and key export markets. Company's relationship with some distributors dates back to more than 45 years. The company also sells products directly through institutional customers, Government customers such as the Central Police Canteens and the Canteen Stores Department (CSD).

Valuation: SAL is a market leader in the two-wheeler helmet industry with a fully integrated manufacturing set-up from design to the final product. Its domestic market share as of FY24 stood at 27.3%/25.5% in volume/value terms respectively. SAL's Revenue/EBITDA/PAT have grown at a CAGR of 8%/32%/45% respectively over FY23-25. The company has healthy return ratios with a robust balance sheet and has been funding its growth through internal accruals. The anticipated upcycle in the domestic two-wheeler industry post the recent GST rationalization along with increasing safety and regulatory requirements act as tailwinds for SAL's products. At the upper price band of Rs 585, SAL is valued at FY25 PE of 33.1x on post issue capital. We recommend investors to SUBSCRIBE to the issue at the upper price band.

Issue Details	
Date of Opening	30th October 2025
Date of Closing	03rd November 2025
Price Band (Rs)	557 – 585
Issue Size (Rs cr)	~456
Offer for Sale (Rs cr)	~456
No. of shares (@ upper band)	77,86,120
Face Value (Rs)	5
Post Issue Market Cap (Rs cr)	2,192 – 2,302
BRLMs	IIFL Capital Services Ltd., ICICI Securities Ltd.
Registrar	MUFG Intime India Pvt. Ltd.
Bid Lot	25 shares and in multiple thereof
QIB shares	50%
Retail shares	35%
NIB shares	15%

Shareholding Pattern

Pre-Issue	No. of Shares	%
Promoter & Promoter Group	3,10,02,320	78.8
Public & Others	83,51,080	21.2
Total	**3,93,53,400**	**100.0**

Post Issue @Upper Price Band	No. of Shares	%
Promoter & Promoter Group	2,43,02,320	61.8
Public & Others	1,50,51,080	38.2
Total	**3,93,53,400**	**100.0**

Source: RHP, SSL Research

Selling shareholders through OFS	Classification	Number of shares offered
Madhu Bhushan Khurana	Promoter	38,00,000
Sidhartha Bhushan Khurana	Promoter	8,00,000
Chand Khurana	Promoter	21,00,000
Sanjay Leekha	Public	3,42,000
Sanjay Leekha jointly with Charu Leekha	Public	2,58,000
Charu Leekha	Public	2,49,600
Nisha Leekha	Public	1,00,800
Nain Tara Mehta	Public	57,600
Sunil Kumar Rastogi	Public	36,000
SE Shoes Private Limited	Public	25,920
Ajay Kumar Sakhuja	Public	16,200
Total		**77,86,120**

Key Financials

Particulars (Rs cr)	FY23	FY24	FY25	1QFY26
Revenue from operations	499	529	584	149
EBITDA	60	90	105	30
PAT	33	57	70	20
EBITDA Margin (%)	12.0	17.0	18.0	20.3
PAT Margin (%)	6.6	10.8	11.9	13.6
RoE (%)	9.8	14.8	15.5	-
RoCE (%)	13.4	20.1	21.3	-
P/E (x)*	69.5	40.2	33.1	-

Source: RHP, SSL Research

****Note: Pre-issue P/E (x) based on upper price band***

Risk Factors

- **Operational risk:** The company has 4 manufacturing facilities concentrated in Faridabad, Haryana. Any adverse events impacting this geographical area might impact the company's operations.
- **Supply-chain impact:** SAL generally does not enter into definitive agreements with suppliers of raw materials**.** Furthermore, the company procures a small portion of raw materials from international markets such as China, Japan, Thailand and Netherlands. Any disruption in supply chain might impact business operations.
- **Demand risk:** The demand and preference for two-wheeler helmet designs is constantly changing. The company's inability to create new designs or judge consumers' preferences might impact sales.
- **Regulatory Risk:** Failure or delays in obtaining third party certifications and accreditations may cause delays in delivery schedules and disruptions in the business which may adversely affect the business.

Growth Strategies

- Expand and strengthen production capacity and deepen vertical integration.
- Strategically expand into new markets and geographies such as Vietnam, Peru and Egypt.
- Establish a new subsidiary in Europe to strengthen presence in Europe.
- Increase offering in the premium helmet segment in the Studds and SMK brand.
- Increase focus on domestic online sales channel.

Product Portfolio

VOGUE (D1 SQUARE)

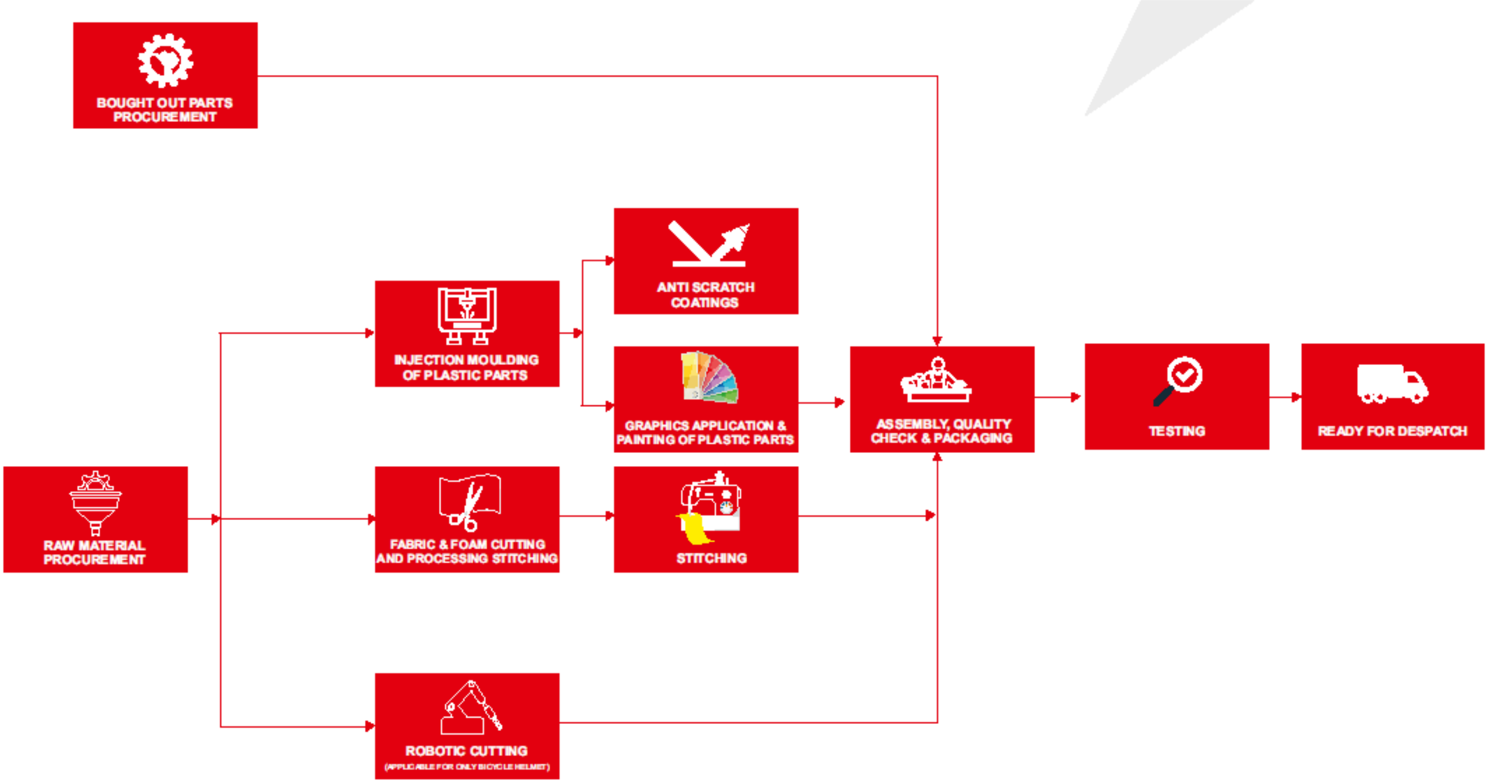
HELIOS (D2 CIRCUIT)

TROOPER DV (D4 RACE)

GTJ S01 D RING (ROVER)

Source: RHP, SSL Research

Manufacturing Process - Helmets



Source: RHP, SSL Research

Brand-wise Revenue Split

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of helmet revenue	Rs cr	% of helmet revenue	Rs cr	% of helmet revenue	Rs cr	% of helmet revenue
Studds	402	88.4	456	92.2	457	86.8	108	79.9
SMK	53	11.6	38	7.8	69	13.2	27	20.1
Total Revenue – Helmets*	**454**	**100.0**	**495**	**100.0**	**527**	**100.0**	**135**	**100.0**

*Note: Includes sale of helmets only; *Does not likely include sales of white label brands; Source: RHP, SSL Research*

Channel-wise Revenue Split

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr*	% of total sales	Rs cr*	% of total sales	Rs cr*	% of total sales	Rs cr*	% of total sales
Distributor Network and EBO	330	64.0	366	66.8	351	58.4	84	55.0
OEMs	73	14.1	90	16.5	93	15.5	18	11.8
E-commerce	10	1.9	6	1.1	25	4.2	7	4.7
Govt. channels	23	4.4	24	4.3	21	3.5	6	4.0
Exports	68	13.2	53	9.7	97	16.1	34	22.2
Others#	13	2.4	9	1.6	13	2.2	4	2.3
Total	**516**	**100.0**	**548**	**100.0**	**601**	**100.0**	**153**	**100.0**

*Note: *The amounts do not include the year discounts, #Others includes sale from indirect export sale, institutional sales and scrap sales; Source: RHP, SSL Research*

Export Revenue Split

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of revenue	Rs cr	% of revenue	Rs cr	% of revenue	Rs cr	% of revenue
Americas	22	4.5	14	2.6	28	4.9	12	8.2
Asia (ex India)	14	2.8	18	3.3	28	4.7	10	6.6
Europe	23	4.5	16	3.1	29	5.0	8	5.1
Rest of the world#	9	1.9	6	1.1	12	2.0	4	2.8
Total	**68**	**13.6**	**53**	**10.1**	**97**	**16.6**	**34**	**22.8**

Note: #Rest of the world includes Africa, Australia and Oceania; Source: RHP, SSL Research

Segment-wise Revenue Split

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of revenue	Rs cr	% of revenue	Rs cr	% of revenue	Rs cr	% of revenue
Two-wheeler helmets	474	91.9	506	92.4	540	92.4	138	92.8
Other Accessories*	41	7.9	40	7.4	43	7.3	10	7.0
Total	**515**	**100**	**547**	**100**	**582**	**100**	**149**	**100**

*Note:*Other Accessories includes two-wheeler luggage, gloves, helmet locking device, rain suits, riding jacket and eye wear; Source: RHP, SSL Research*

Cost of Raw Materials Split

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of raw material cost	Rs cr	% of raw material cost	Rs cr	% of raw material cost	Rs cr	% of raw material cost
ABS	53	21.2	52	21.1	60	22.1	15	22.5
Packaging Material	28	10.9	23	9.2	27	9.9	7	10.1
Polycarbonate	24	9.5	22	8.7	26	9.6	4	6.5
Paints	19	7.5	22	9.0	21	7.9	5	7.7
Cloth	19	7.4	20	8.2	21	7.8	5	7.8
Expanded polystyrene	10	3.9	10	3.9	11	4.1	2	3.3
Total	**152**	**60.3**	**149**	**60.1**	**165**	**61.4**	**38**	**57.9**

Source: RHP, SSL Research

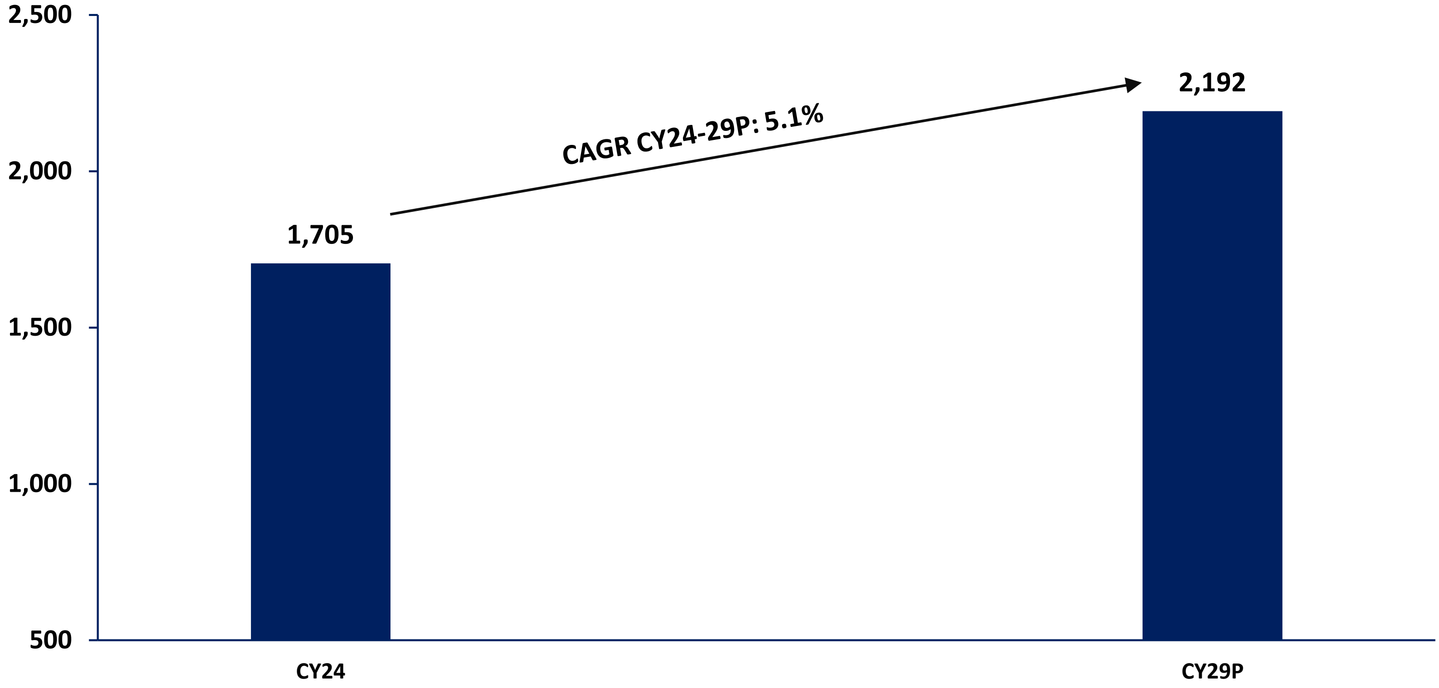
Raw Materials Procurement Split

Particulars	FY23		FY24		FY25		1QFY26	
	Rs cr	% of raw material cost	Rs cr	% of raw material cost	Rs cr	% of raw material cost	Rs cr	% of raw material cost
Raw materials procured domestically	241	95.4	222	89.3	239	88.9	54	84.0
Raw materials imported	12	4.6	27	10.7	30	11.1	10	16.0
Total	**253**	**100.0**	**249**	**100.0**	**269**	**100.0**	**65**	**100.0**

Source: RHP, SSL Research

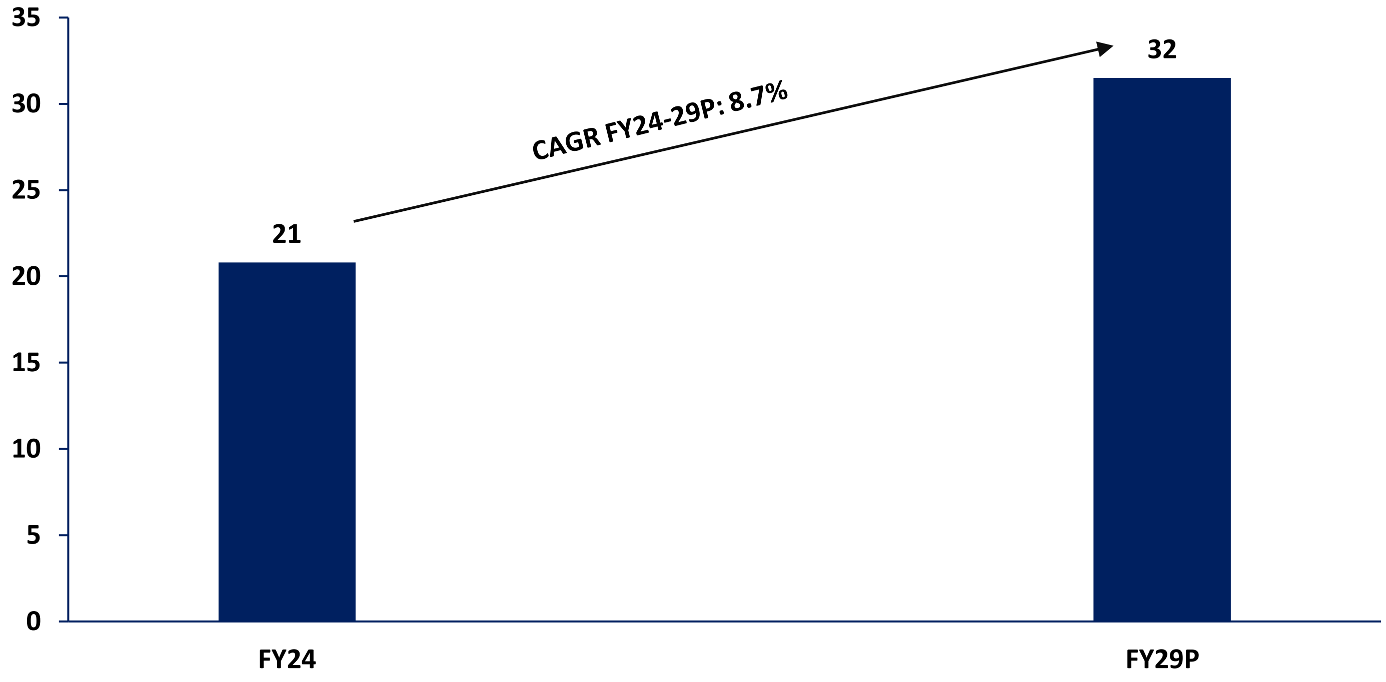
Industry Overview

Global Two-wheeler Helmet Market Size, CY24-29P (in USD mn)



Source: RHP, SSL Research

Indian Helmet Market Size, FY24-29P (in Rs bn)



Source: RHP, SSL Research

Financial Snapshot

INCOME STATEMENT				
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**	**1QFY26**
Revenue from Operations	**499**	**529**	**584**	**149**
YoY growth (%)	-	*6.0%*	*10.4%*	-
COGS (incl Stock Adj)	**262**	**239**	**256**	**61**
Gross Profit	**237**	**290**	**328**	**89**
Gross margins (%)	*47.6%*	*54.9%*	*56.2%*	*59.4%*
Employee Cost	65	71	63	16
Other Operating Expenses	112	129	161	43
EBITDA	**60**	**90**	**105**	**30**
EBITDA margins (%)	*12.0%*	*17.0%*	*18.0%*	*20.3%*
Other Income	7	7	12	3
Interest Exp.	3	2	1	0
Depreciation	18	19	21	5
PBT	**46**	**76**	**95**	**28**
Exceptional item	-	-	-	-
Tax	13	19	25	7
Share of profit of associates and JVs	-	-	-	-
Minority Interest	-	-	-	-
PAT	**33**	**57**	**70**	**20**
PAT margin (%)	*6.6%*	*10.8%*	*11.9%*	*13.6%*
EPS (Rs)	**8.4**	**14.5**	**17.7**	**5.1**

BALANCE SHEET				
Particulars (Rs cr)	**FY23**	**FY24**	**FY25**	**1QFY26**
Assets				
Net Block	307	320	326	322
Capital WIP	10	10	25	34
Intangible Assets	3	3	2	2
Intangible Assets under development	2	2	4	4
Goodwill	-	-	5	5
Right of use assets	1	8	5	5
Other Non-current Assets	30	4	3	7
Current Assets				
Inventories	35	40	56	61
Trade receivables	31	28	43	40
Cash and Bank Balances	30	59	72	87
Other Current Assets	12	12	15	22
Total Current Assets	**108**	**139**	**186**	**209**
Current Liabilities & Provisions				
Trade payables	35	31	32	39
Other current liabilities	33	33	38	40
Short-term provisions	2	2	2	2
Total Current Liabilities	**69**	**65**	**72**	**81**
Net Current Assets	**39**	**73**	**114**	**128**
Total Assets	**392**	**420**	**485**	**505**
Liabilities				
Share Capital	10	10	20	20
Reserves and Surplus	328	378	430	450
Total Shareholders' Funds	**338**	**387**	**449**	**470**
Minority Interest	-	-	-	-
Total Debt	31	1	3	3
Long Term Provisions	4	5	5	5
Lease Liabilities	1	8	6	6
Other Long-Term Liabilities	3	3	3	3
Net Deferred Tax Liability	16	17	18	19
Total Liabilities	**392**	**420**	**485**	**505**

Cash Flow Statement (Rs cr)	FY23	FY24	FY25	1QFY26
Cash flow from Operating Activities	56	72	63	24
Cash flow from Investing Activities	(26)	(20)	(51)	(7)
Cash flow from Financing Activities	(24)	(41)	(9)	(1)
Free Cash Flow	38	40	21	17

RATIOS			
Particulars	**FY23**	**FY24**	**FY25**
Profitability			
Return on Assets	7.2%	11.8%	12.5%
Return on Capital Employed	13.4%	20.1%	21.3%
Return on Equity	9.8%	14.8%	15.5%
Margin Analysis			
Gross Margin	47.6%	54.9%	56.2%
EBITDA Margin	12.0%	17.0%	18.0%
Net Profit Margin	6.6%	10.8%	11.9%
Short-Term Liquidity			
Current Ratio (x)	1.4	2.1	2.6
Quick Ratio (x)	0.9	1.5	1.8
Avg. Days Sales Outstanding	23	20	27
Avg. Days Inventory Outstanding	49	62	80
Avg. Days Payables	29	25	24
Fixed asset turnover (x)	1.6	1.7	1.8
Debt-service coverage (x)	1.5	35.2	23.3
Long-Term Solvency			
Total Debt / Equity (x)	0.1	0.0	0.0
Interest Coverage Ratio (x)	17.5	48.6	79.1
Valuation Ratios*			
EV/EBITDA (x)	38.4	24.9	21.3
P/E (x)	69.5	40.2	33.1
P/B (x)	6.8	5.9	5.1
EV/Sales (x)	4.6	4.2	3.8
P/Sales (x)	4.6	4.4	3.9

****Valuation ratios are based on pre-issue capital at the upper price band***

Source: RHP, SSL Research

Peer Comparison – Financials (FY25)

Studds Accessories Ltd. does not have any like-to-like listed peer.

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