

**ABOUT THE COMPANY:** With 50 years of experience, India's largest two-wheeler helmet maker by revenue (FY2024) and world's largest by volume (CY2024), the company sold 7.40 million helmets in FY2025 through Studds and SMK, holding 27.30% volume and 25.50% value share. It operates four advanced Faridabad plants with a VCA-certified lab and exports to 70+ countries.

## KEY BUSINESS INSIGHTS:

With 50 years of experience, the company is India's largest two-wheeler helmet maker by revenue (FY2024) and the world's largest by volume (CY2024), exporting to 70+ countries, operating three plants (9.04 million capacity), and selling 7.40 million helmets in FY2025. It sees growth in untapped global and domestic markets, supported by partnerships with Zomato, Amazon, and Blinkit, with a fifth facility expected by year-end. EBITDA margin fell from 20.28% in FY2023 to 12.03% in Q1 FY2026, and PAT margin from 13.57% to 6.64%, while revenue growth slowed from 15.70% to -3.57%, showing partial market share loss to Steelbird. PAT of ₹70 crore, with ₹63 crore converted to cash, reflects strong liquidity and stability.

## OUR VIEW:

India's largest two-wheeler helmet maker by revenue (FY2024) and the world's largest by volume (CY2024), the company operates three plants (9.04 million capacity), sold 7.40 million helmets in FY2025, and exports to 70+ countries, with a fifth facility coming by year-end. Strong OEM ties, stricter helmet regulations, and 21% export CAGR highlight growth, while PAT of ₹70 crore (₹63 crore cash) shows liquidity. Despite slow FY2026 topline growth (2.1%) and EBITDA below pre-COVID levels, the offer earns a "SUBSCRIBE" rating.



ISSUE DETAILS	
Price Band (in ₹ per share)	557-585
Issue size (in ₹ Crore)	455 cr
Fresh Issue (in ₹ Crore)	NA
Offer for Sale (in ₹ Crore)	455 cr
Issue Open Date	30-10-2025
Issue Close Date	03-11-2025
Tentative Date of Allotment	06-11-2025
Tentative Date of Listing	07-11-2025
Total Number of Shares (in lakhs)	77.86
Face Value (in ₹)	5.00
Exchanges to be Listed on	BSE & NSE

APPLICATION	LOTS	SHARES	AMOUNT (₹)
Retail (Min)	1	25	14,625
Retail (Max)	13	325	1,90,125
S-HNI (Min)	14	350	2,04,750
S-HNI (Max)	68	1700	9,94,500
B-HNI (Min)	69	1725	10,09,125

**BRLMs:** IIFL Capital Services Limited, ICICI Securities Limiteds

**PROMOTERS:** Madhu Bhushan Khurana, Sidhartha Bhushan Khurana, Shilpa Arora

## BRIEF FINANCIALS

PARTICULARS (Rs. Cr)*	Q1FY26	FY25	FY24	FY23
Share Capital	19.67	19.67	9.83	9.83
Net Worth	469.76	449.47	387.40	338.02
Revenue from Operations	149.1	583.80	529.00	499.10
EBITDA	30.26	104.84	90.19	60.05
EBITDA Margin (%)	20.28	17.96	17.05	12.03
Profit/(Loss) After Tax	20.24	69.64	57.22	33.14
EPS (in Rs.)	5.14	17.70	14.54	8.42
Net Asset Value (in Rs.)	119.37	114.22	98.44	85.89
Total borrowings	2.90	2.90	0.61	30.57
P/E#	28.45	33.05	NA	NA
P/B#	4.90	5.12	NA	NA

\* Restated consolidated financials; #Calculated at upper price band 585

## OBJECTS OF THE OFFER

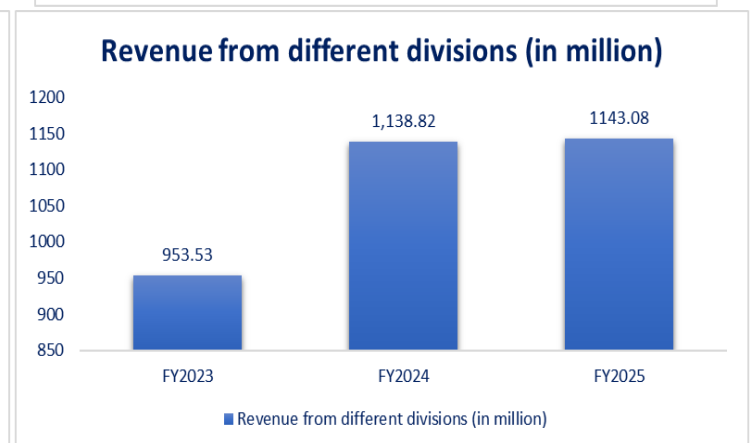
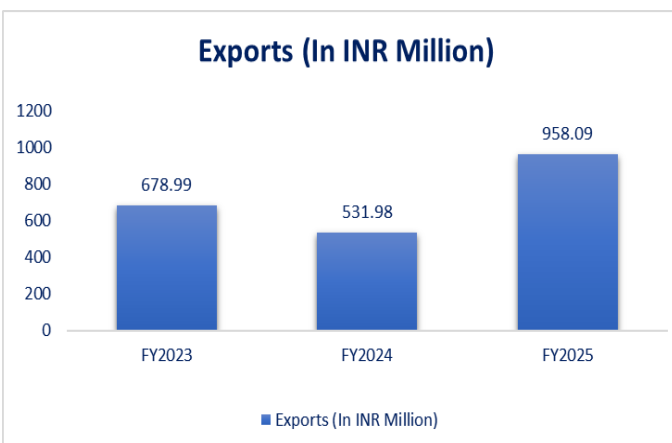
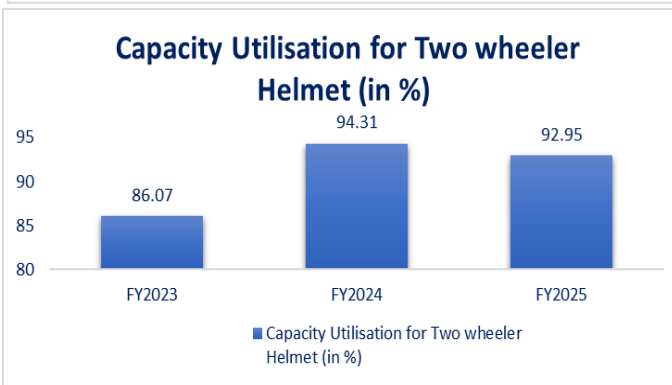
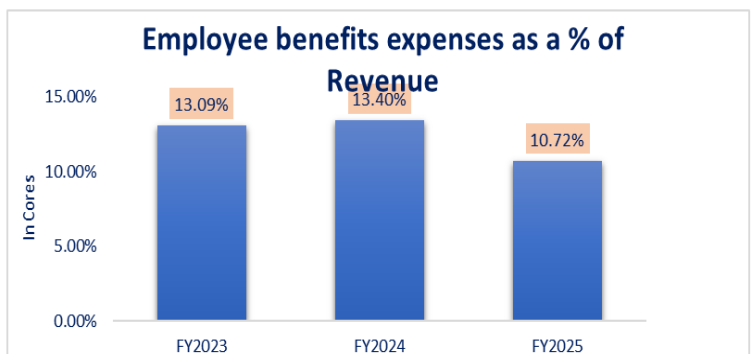
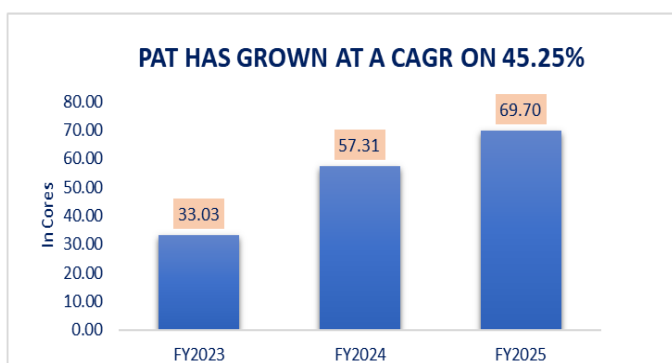
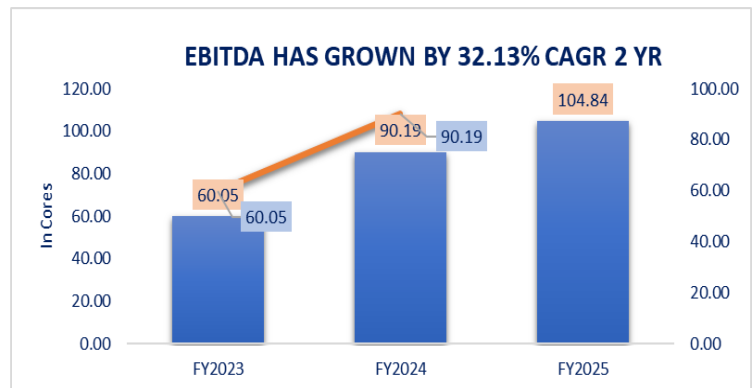
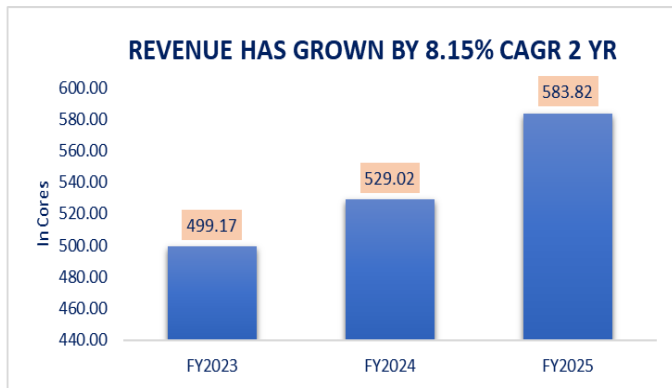
The Company proposes to utilize the net proceeds towards funding the following objects:

- To carry out the Offer for Sale.
- Achieve the benefits of listing the Equity Shares on the Stock Exchanges.

## FINANCIAL STATEMENTS

Profit & Loss Statement				Balance Sheet			
Particulars (In Crores)	FY2023	FY2024	FY2025	Particulars (In Crores)	FY2023	FY2024	FY2025
<b>INCOME</b>				<b>ASSETS</b>			
Revenue from operations	499.17	529.02	583.82	<b>Non-Current Assets</b>			
Other Income	7.31	6.82	12.07	Property Plant & Equipment	307.28	320.44	325.91
<b>Total Income</b>	<b>506.48</b>	<b>535.84</b>	<b>595.89</b>	Capital Work in Process (Tangible)	10.21	9.95	25.32
YoY Growth (%)	-	5.80%	11.21%	Right of use Assets	0.94	7.73	5.45
<b>EXPENSES</b>				Intangible Assets	3.26	3.19	2.41
Employee benefits expenses	65.35	70.86	62.57	Goodwill on consolidation	-	-	4.72
Employee benefits expenses as a % of	13.09%	13.40%	10.72%	Intangible Assets under development	1.59	1.75	3.52
Cost of materials consumed	258.92	242.98	262.17	Financial Assets (i) Non-Current Investment	0	0.01	0.01
Changes in inventories of finished goods	2.83	-4.40	-6.46	Financial Assets (ii) Other financial assets	29.65	3.7	3.21
Other Expenses	112.02	129.39	160.70	<b>Total Non-Current Assets</b>	<b>352.93</b>	<b>346.77</b>	<b>370.55</b>
<b>EBIDTA (Calculated)</b>	<b>60.05</b>	<b>90.19</b>	<b>104.84</b>	<b>Current Assets</b>			
EBIDTA Margin (%)	12.03%	17.05%	17.96%	Inventories	35.01	40.22	56.28
Depreciation and amortisation expenses	18.10	19.03	20.67	Financial Assets - Trade Receivables	31.27	28.36	42.96
<b>EBIT</b>	<b>49.26</b>	<b>77.98</b>	<b>96.25</b>	Financial Assets - Cash & Cash Equivalents	24.87	35.57	38.98
EBIT Margin (%)	9.87%	14.74%	16.49%	Financial Assets - Other Bank Balances	4.84	22.98	33.2
Finance cost	2.82	1.61	1.22	Financial Assets - Other Financial Assets	0.26	0.21	0.29
<b>Profit Before Tax For the Year</b>	<b>46.44</b>	<b>76.37</b>	<b>95.03</b>	Other Current Assets	11.89	11.45	14.45
<b>Tax expenses</b>				<b>Total Current Assets</b>	<b>108.14</b>	<b>138.79</b>	<b>186.16</b>
Current tax	10.63	18.12	23.51	<b>Total Assets</b>	<b>461.07</b>	<b>485.56</b>	<b>556.71</b>
Tax pertaining to earlier period/years	0.52	0.00	0.00	<b>EQUITY AND LIABILITIES</b>			
Deferred Tax	2.15	1.02	1.87	<b>Equity</b>			
<b>Total tax expenses</b>	<b>13.29</b>	<b>19.15</b>	<b>25.39</b>	Equity Share Capital	9.84	9.84	19.68
Restated other comprehensive income	-0.11	0.08	0.06	Other Equity	328.18	377.57	429.8
<b>Profit for the year</b>	<b>33.03</b>	<b>57.31</b>	<b>69.70</b>	<b>Total Equity</b>	<b>338.02</b>	<b>387.41</b>	<b>449.48</b>
PAT Margin (%)	6.62%	10.83%	11.94%	<b>Liabilities</b>			
<b>Earnings per share</b>				<b>Non-Current Liabilities</b>			
Basic earnings per share (₹)	8.42	14.54	17.70	Financial Liabilities - Non-Current Borrowing	19.93	0.2	2.91
				Financial Liabilities - Lease Liabilities	0.4	6.26	4.49
				Financial Liabilities - Other Non-Current Fin	2.67	2.97	2.98
				Non-Current Provisions	4.1	4.54	5.07
				Deferred Tax Liability (Net)	15.53	16.56	18.41
				<b>Total Non-Current Liabilities</b>	<b>42.63</b>	<b>30.53</b>	<b>33.86</b>
				<b>Current Liabilities</b>			
				Financial Liabilities - Current Borrowings	10.65	0.41	-
				Financial Liabilities - Lease Liabilities	0.62	1.89	1.64
				Financial Liabilities - Trade Payable (MSME)	2.63	8.63	7.81
				Financial Liabilities - Trade Payable (Others)	32.08	21.93	24.14
				Financial Liabilities - Other Current Financial	17.8	16.13	16.28
				Other Current Liabilities	12.63	14.67	14.39
				Current Provisions	1.76	1.89	2
				Current Tax Liabilities (Net)	2.25	2.07	7.11
				<b>Total Current Liabilities</b>	<b>80.42</b>	<b>67.62</b>	<b>73.37</b>
				<b>Total Liabilities</b>	<b>123.05</b>	<b>98.15</b>	<b>107.23</b>
				<b>Total Equity and Liabilities</b>	<b>461.07</b>	<b>485.56</b>	<b>556.71</b>
<b>Cash Flows</b>							
<b>Particulars (In Crores)</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>				
Net cash flow from/(used in) operating activities	55.92	71.86	63.25				
Net cash flow from/(used in) investing activities	-26.15	-20.01	-51.07				
Net cash flow from/(used in) financing activities	-23.93	-41.14	-8.77				
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5.82</b>	<b>10.69</b>	<b>3.41</b>				
Cash and cash equivalents at the beginning of the year	19.04	24.87	35.57				
<b>Cash and cash equivalents at the end of the year</b>	<b>24.86</b>	<b>35.56</b>	<b>38.98</b>				

## PERFORMANCE THROUGH CHARTS



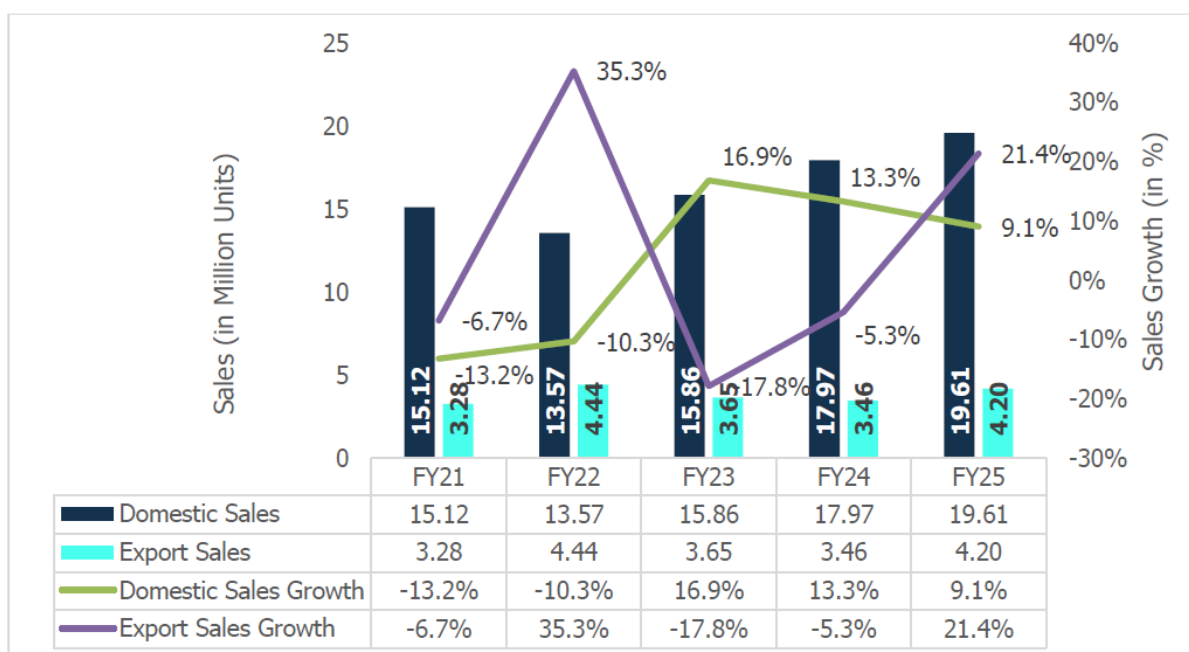
\*Division include arrangement/ partnership with the OEMs, Canteen Stores Department, Indian Naval Canteens, and the Central Police Canteens

## INDUSTRY REVIEW

### OVERVIEW OF THE INDUSTRY IN INDIA

- India’s two-wheeler market, accounting for 77% of auto sales, rebounded to pre-pandemic levels with 17% growth in FY23 and 9.1% in FY25, driven by higher incomes, rural recovery, EV adoption, and policy support.
- India’s two-wheeler industry faces headwinds from the EV transition, higher raw material costs, chip shortages, stricter BS-VI norms, rural demand linked to monsoons, and limited charging infrastructure hindering EV growth.
- India’s auto sector is undergoing rapid transformation driven by initiatives such as FAME, PLI, BS-VI norms, and the Battery Swapping Policy, fostering EV adoption, cleaner fuels, and domestic manufacturing for a sustainable and competitive industry.
- To reduce road fatalities by 2030, the government is implementing safety audits, stricter regulations, improved vehicle standards, e-DAR data systems, and enhanced public awareness and emergency response measures.
- The government’s Atmanirbhar Bharat initiatives—such as Make in India, PLI, and PM Gati Shakti—along with Startup India and ODOP, are fostering innovation, attracting FDI, creating jobs, and strengthening India’s position as a global manufacturing hub.

**Chart 9: Domestic Sales & Exports of Two-Wheeler Industry**



Source: SLAM (Society of Automobile Manufacturers)

## COMPETITIVE STRENGTHS OF THE COMPANY

### Wide Product Portfolio with Advanced Integrated Manufacturing

- They offer 240+ helmet designs and 19,258 SKUs across Studds (₹875–₹4,000) and SMK (₹3,000–₹12,800). In FY2025, Studds sold 7.07 mn units (₹4,572.57 mn; 78.32%) and SMK 0.29 mn (₹693.18 mn; 11.87%), supported by a 75-member D&D team.
- Their fully integrated operations span raw materials to sales, backed by 50 years' experience. In-house EPS, molding, and testing units enable faster production—9 months for Studds and 14 months for SMK—while robotic cutting and painting improve efficiency and cost control.
- They operate four ISO 9001:2015-certified plants in India, with a fifth underway, equipped with advanced coating, assembly, and a VCA-certified lab. A 75-member D&D team (19 designers, 56 engineers) drives innovation through smart features like communication, cameras, and navigation for Studds and SMK.

### India's Leading Two-Wheeler Helmet Manufacturer

- They are India's largest helmet maker by revenue (FY2024) and the world's largest by volume (CY2024), with 50 years of expertise and 7.40 million helmets sold in FY2025, reinforcing Studds' reputation for safety and innovation.
- Building on Studds' strong brand, they launched SMK in 2016 to tap the premium segment. Studds targets mass to mid-range buyers, while SMK caters to premium customers, driving growth and global reach.
- Studds and SMK drive growth and brand visibility through innovative designs, quality, and safety, supported by a wide Studds accessories range that reinforces customer trust and market leadership.

### Robust Global Footprint and Distribution Network

- In Q1 FY2026, sales reached ₹1,528.16 million, driven by distributors/EBOs (₹840.15 million, 54.98%) and exports (₹339.67 million, 22.22%). FY2025 sales were ₹6,012.13 million, with distributors/EBOs contributing ₹3,510.53 million (58.39%) and exports ₹970.79 million (16.15%), while FY2024 and FY2023 saw ₹5,476.58 million and ₹5,155.79 million, respectively, led by ~65% distributor and ~15% OEM sales.
- As of August 31, 2025, the company had 363 distributors across India and exports to 70+ countries, with key hubs in Tamil Nadu (38), Uttar Pradesh (32), and Maharashtra (30). Supported by EBOs and certifications like BIS, ISO 9001, ECE 22.06, and IEC 17067, Studds and SMK serve mass and premium markets worldwide.
- The company supplies OEMs like Hero MotoCorp, Honda, and Royal Enfield, generating ₹180.48 mn in Q1 FY26, ₹931.5 mn in FY25, ₹903.41 mn in FY24, and ₹727.86 mn in FY23. Exports to Daytona and O'Neal added ₹339.67 mn, ₹970.8 mn, ₹531.98 mn, and ₹678.99 mn, mainly from the Americas (₹122.77 mn), Asia ex-India (₹98.33 mn), Europe (₹76.62 mn), and others (₹41.95 mn).

## RISK FACTORS

### High Dependence on OEM and Government Sales Could Affect Performance

- They rely on OEMs and government clients, generating ₹240.79 million (16.14%) in Q1 FY2026 and ₹1,143.08 million (19.58%) in FY2025—up from ₹1,138.82 million (20.79%) in FY2024 and ₹953.53 million (18.49%) in FY2023.
- OEM clients include Yamaha, Honda, Hero, Suzuki, and Royal Enfield. As the auto sector is cyclical and sensitive to inflation, fuel prices, and policy changes, slowdowns or client issues—such as insolvency or contract loss—may impact revenue; one past litigation was filed to recover dues.
- They previously faced Companies Act non-compliance, including delayed IEPF transfer (₹0.80 million penalty) and MD reappointment omission (₹40,000 fine in FY2025). While resolved, future regulatory actions could impact reputation and finances.

### Reliance on Raw Material Availability and Supply Chain Risks

- In Q1 FY2026, raw material costs were ₹609.60 million (49.03% of expenses), while in FY2025, FY2024, and FY2023 they stood at ₹2,621.70 million (52.34%), ₹2,429.80 million (52.88%), and ₹2,589.15 million (56.28%). In FY2025, key inputs like ABS, polycarbonate, paints, cloth, and polystyrene totaled ₹1,651.83 million (61.40%).
- In Q1 FY2026, 84.02% (₹544.99 million) of raw materials were sourced locally and 15.98% (₹103.62 million) imported. Domestic sourcing was ₹2,391.05 million (88.88%) in FY2025, ₹2,218.73 million (89.28%) in FY2024, and ₹2,409.60 million (95.39%) in FY2023, with imports at ₹299.01 million, ₹266.37 million, and ₹116.53 million, respectively. Supply disruptions during COVID-19 underscored their dependence on consistent sourcing.
- In Q1 FY2026, raw material costs were ₹609.6 million (49.03% of expenses) and ₹2,621.7 million (52.34%) in FY2025, with ABS at ₹595.2 million (22.13%). Around 84% was sourced domestically and 16% imported. Being spot-procured, supply or price fluctuations may affect margins and output.

### Operational or Production Disruptions Could Affect Business Performance

- They operate four plants in Faridabad, Haryana, with a fifth underway; this regional concentration exposes them to disruption risks from natural disasters, accidents, or political events.
- Their plants face risks from equipment failure, power issues, or labour unrest, and with inventory concentrated in one region, any disruption could affect operations—though no major shutdowns occurred in FY2023–Q1 FY2026.
- Their operations rely on uninterrupted power, and extended outages could reduce capacity, increase costs, and impact financial performance.

## PEER COMPARISION

Given the nature of the business, we believe that there are no listed companies or peers in India that engage in a business which is similar to that of this Company.



Canara Bank Securities Ltd.  
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Research Desk

Canara Bank Securities Ltd

SEBI: RESEARCH ANALYST REGISTRATION: INH000001253

BSE: INB 011280238, BSE F&O: INF 011280238

NSE: INB 23180232, F&O: INF 231280232, CDS: 231280232

Maker Chambers III, 7th floor,

Nariman Point, Mumbai 400021

Contact No. : 022 - 43603861/62/63

Email id: [researchdesk@canmoney.in](mailto:researchdesk@canmoney.in)

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