

### Issue Details

Issue Size	INR 360 Cr
Issue Date	25.07.2025 to 29.07.2025
Implied Mcap Post Issue	INR 1,435 Cr
Price Band	INR 189 – 199
Offer Ratio	QIB – 50%, NII – 15%, Retail – 35%
Bid Lot	75 Equity shares per lot
Shareholding (Pre Issue)	54,000,000
Shareholding (Post Issue)	72,096,000
Fresh Issue	INR 360 Cr
Offer for sale	-

### Object of the offer

Particulars	Amount (INR In Cr)
Funding capital expenditure	46.3
Funding working capital requirements	200.0
Prepayment and / or repayment of certain outstanding borrowings	17.0
General Corporate Purposes	96.7
<b>Total</b>	<b>360.0</b>

Company Name	EPS (Basic)	NAV	P/E	RONW (%)
Shanti Gold International	10.3	28.2	19.3	44.9
Utssav Cz Gold Jewels	11.6	53.2	19.4	30.9
Rbz Jewellers	9.7	61.3	14.4	17.2
Sky Gold And Diamonds	9.5	46.6	34.5	28.6

Particulars (In Crores)	Mar-23	Mar-24	Mar-25
Equity Share Capital	9.0	9.0	54.0
Other Equity	60.8	87.7	98.4
Net Worth	69.8	96.7	152.4
Total Borrowings	163.6	198.4	233.0
Revenue from Operations	679.4	711.4	1,106.4
EBITDA	42.7	49.9	91.7
Profit / Loss Before Tax	31.0	35.8	72.8
Net Profit / Loss for the year	19.8	26.9	55.8

Neutral



### Business Overview

Incorporated in 2003, Shanti Gold International Ltd. (SGIL) is engaged in the manufacturing of high-quality 22kt CZ (Cubic Zirconia) casting gold jewellery, catering to a wide range of design requirements for various occasions. The company operates on a B2B model and offers a diverse product portfolio that includes bangles, rings, necklaces, and full jewellery sets for both festive and daily wear.

SGIL has established long-standing business relationships with several prominent jewellery retailers such as Joyalukkas India, Lalithaa Jewellery Mart, Alukkas Enterprises, Vysyaraju Jewellers, and Shree Kalptaru Jewellers.

To tap into the North Indian market, SGIL is strategically planning to enter the plain gold jewellery segment. Currently, the company operates a manufacturing facility in Andheri, Mumbai, with an installed capacity of 2,700 kg. It is also in the process of setting up a new facility in Jaipur with a proposed capacity of 1,200 kg, which will be focused on plain gold jewellery. The company has already received letters of intent from prospective buyers for this segment.

SGIL employs a team of 79 CAD designers who collectively develop over 400 unique CZ gemstone-studded gold designs each month, highlighting the company's design capabilities and product innovation.

### Competitive Strength

- Wide range of jewellery designs driven by team of experts
- Complete in-house manufacturing: Ensuring quality at every step
- Experienced Promoters with execution capabilities
- Financially stable business model
- Established relations with corporate and jewellery businesses

### Risk and Concern

- Top 10 customers contributed 34–36% of revenue in the last three fiscals; loss or reduced demand from key customers could affect financials
- 72.76% of revenue in Fiscal 2025 came from Southern India; regional concentration increases exposure to local risks
- Business heavily reliant on 22kt CZ jewellery; consumer preference shifts may impact performance
- High dependence on gold; price volatility or supply issues may affect operations
- Significant working capital needs; ₹200.0 crore from IPO proceeds allocated for this
- Operations depend on Andheri manufacturing unit; disruptions could impact production and cash flows.
- High debt levels pose financial risks and operational restrictions

Shanti Gold International Limited is assigned a neutral rating as its established position in the 22kt CZ gold jewellery segment—supported by robust in-house design and manufacturing and key relationships with leading retailers—provides a strong foundation for growth and innovation. However, the company faces challenges stemming from significant revenue concentration in Southern India, high dependence on its core product segment, working capital intensity, and operational risks linked to potential manufacturing disruptions. In terms of valuation, the company's P/E multiple of 19.3x sits within the industry range of 14.4x to 34.5x, indicating a fair but not compelling discount or premium relative to peers. This balanced valuation, combined with sector and operational risks, underscores the rationale for a neutral outlook, suggesting investors should approach the IPO with measured expectations. While Shanti Gold has demonstrated strong revenue and profit growth, sustained performance will depend on successful execution of its expansion plans and greater geographical diversification.

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Rating	
★	Avoid
★★	Neutral
★★★	Apply for listing gain
★★★★	Apply for long term
★★★★★	Apply for both long term and listing gain

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