

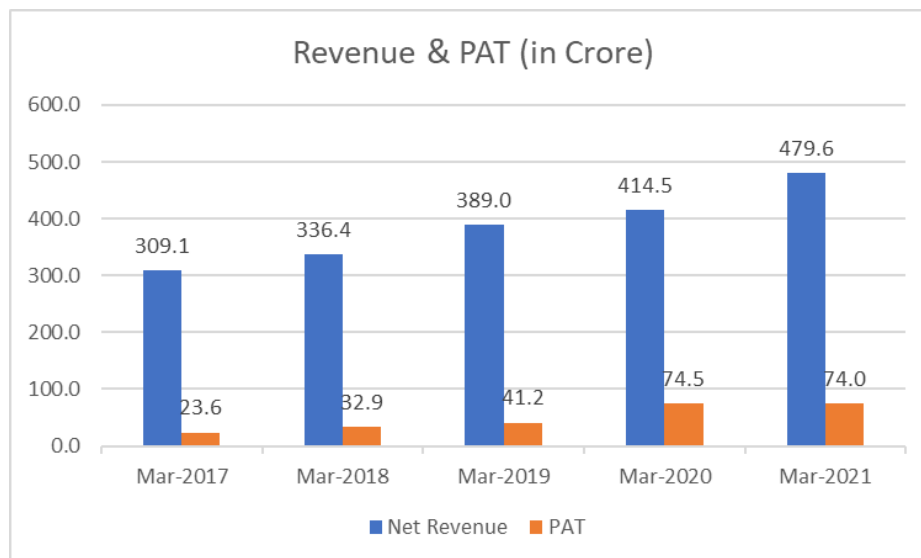
Studds Accessories Limited (INE00Q601028)

About Studds Accessories

Studds Accessories Limited, incorporated in the year 1983 is **World's largest two-wheeler helmets manufacturer**. The company has a strong presence in India as well as globally and markets its products in over 40 countries as on date.

The company sells its products under the brand name of Studds and SMK to both mass commuter market and premium segment and currently has **30% market share in India** which it is looking to increase to 40% by FY2023. It has 13% market share in the Philippines and 5% market share in Europe in just 4 years of launching.

Studds Accessories-Financials



**In INR Crore as per Annual Report of Studds Accessories*

1. The company is nearly debt-free. Debt to Equity ratio in FY21 stands at 0.1
2. Studds achieved 15% Revenue growth in FY21 despite covid-related lockdowns severely affecting the business
3. From 2017 till 2021, PAT has grown 3x. In FY21, PAT remained flat over FY20 primarily due to higher depreciation cost
4. In FY21, Earnings Per Share (EPS) was 37.61

Strengths

5. The company has partnership with all the leading OEMs like Hero MotoCorp, Honda Motorcycle & Scooter India, Suzuki Motorcycle India, Royal Enfield and others and is further planning to engage with other global players like Harley Davidson to strengthen their foothold
6. Veteran Investor Radhakrishna Damani holds 2.94% stake in the company, LIC holds 6.04% of shares
7. The company exports around 10% of its turnover to around 40 countries in the Middle East, Europe, North America and Latin America.

Weakness

1. Raw materials account for approximately 70% of operating expenses. In the event of commodity price increases and the company is not able to pass that to customers, profitability of the company might get impacted.