



IPO DETAILS

#IPOlogy

SARASWATI SAREE DEPOT LIMITED



ISSUE OPEN

12th August, 2024

ISSUE CLOSE

14th August, 2024

Min. Lot Size
90 shares

Issue Price Band
₹152 - ₹160

Issue Size

Fresh Issue:
0.65 Cr Eq shares
(₹104 Cr)

OFS:
0.35 Cr Eq shares
(₹56.02 Cr)

Face Value

₹10

Industry

Apparel

Listing at

NSE, BSE

RATING

Subscribe

OPEN ACCOUNT

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Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

[For Facts & Figures](#)



SARASWATI SAREE DEPOT LIMITED

Rationale

Considering the FY24 EPS of Rs 7.46 on a post issue basis, the company is going to list at a P/E of 21.46x with a market cap of Rs 634 Cr, whereas its peers namely Go Fashion (India) Ltd and Sai Silks (Kalamandir) Limited are trading at P/E of 70x, & 23.9x respectively.

We assign "Subscribe" rating to this IPO as the company has Diversified supplier and customer base with diverse product portfolio. Also, it is available at reasonable valuation as compared to its peers.

Objectives of the issue

Funding working capital requirements of Company

General corporate purposes

Company Overview

Saraswati Saree Depot Limited is key player in sarees wholesale (B2B) segment. The company is also engaged in the wholesale business of other women's apparel wear such as kurtis, dress materials, blouse pieces, lehengas, bottoms, etc.

In Fiscal 2024, Sarees contributed 90.85% to the company's revenue and other apparel wear contributed 9.15% to the company's revenue.

The company operates from two stores located in Kolhapur, Maharashtra, and Ulhasnagar, Maharashtra. The revenue distribution between these stores is such that 88.32% of the revenue is generated from the Kolhapur store, while the remaining 11.68% revenue comes from the Ulhasnagar store.

In Fiscal 2024, the company has served over 13,000 unique customers and its product catalogue consists of more than 3,00,000 different SKUs.

WeaveNation

Company has developed long-standing relationships with the manufacturers in hubs like Surat, Varanasi, Mau, Madurai, Dharmavaram, Kolkata, and Bengaluru. The company regularly source sarees and other women's apparel from more than 900 weavers/suppliers across different states in India.

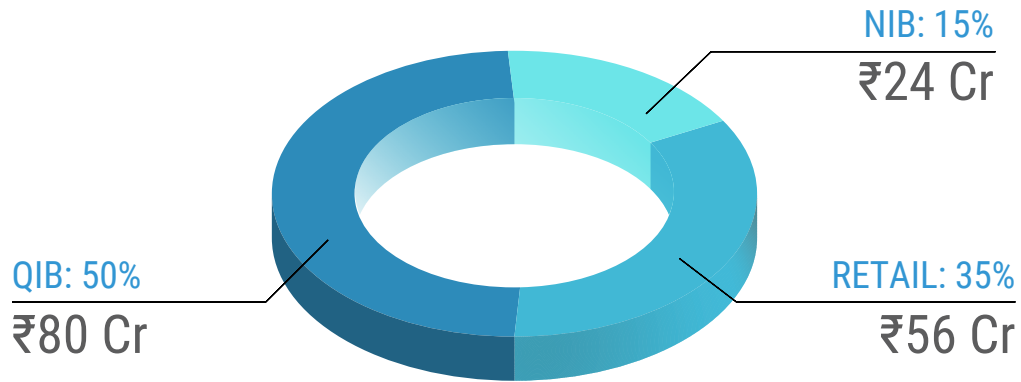




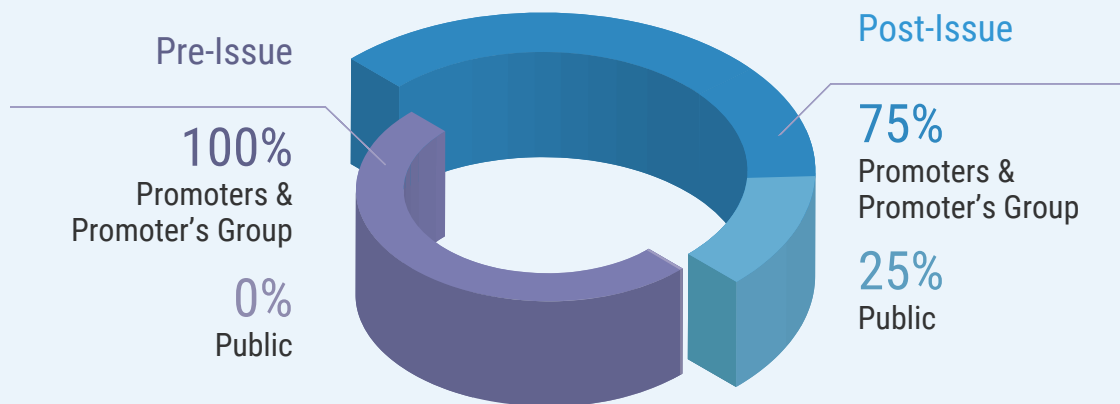
SARASWATI SAREE DEPOT LIMITED

Issue Details

Issue Break-Up



Shareholding Pattern



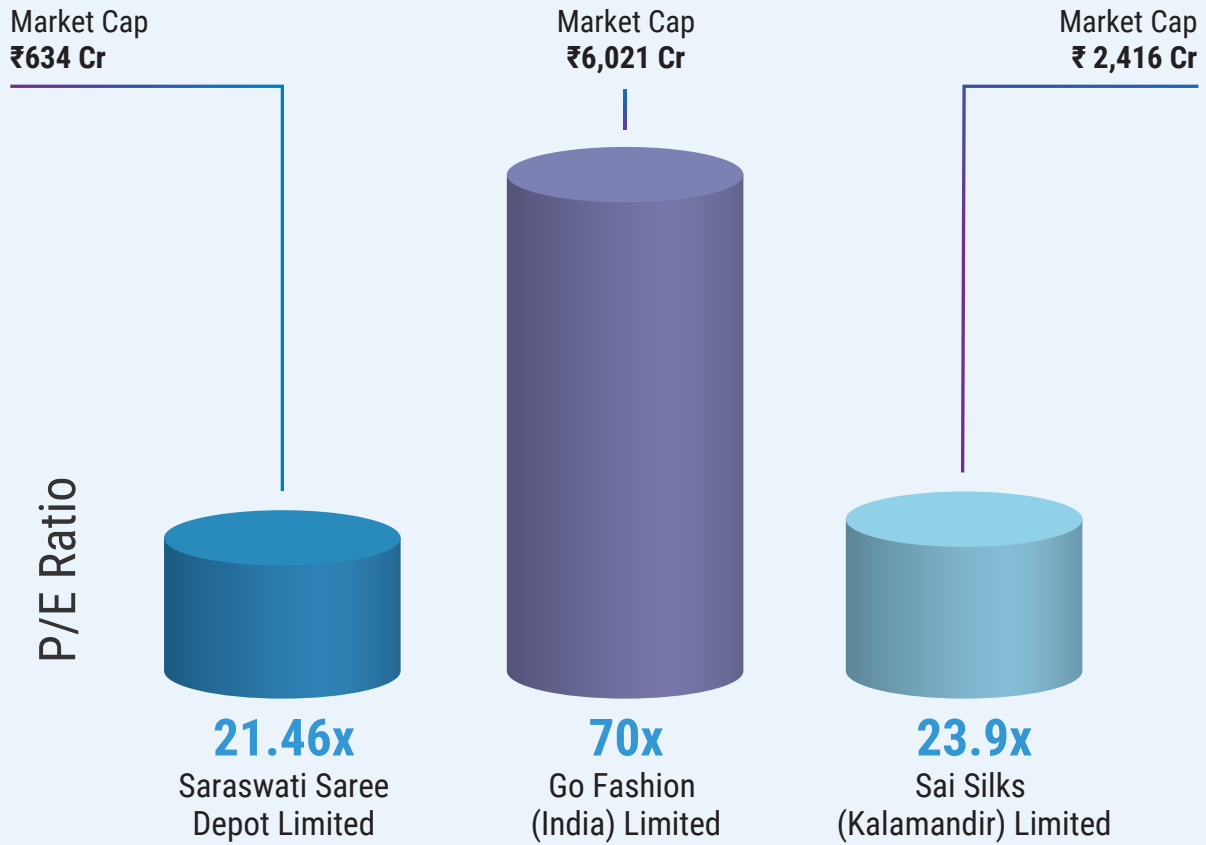
Capital Structure (in ₹ Cr.)





SARASWATI SAREE DEPOT LIMITED

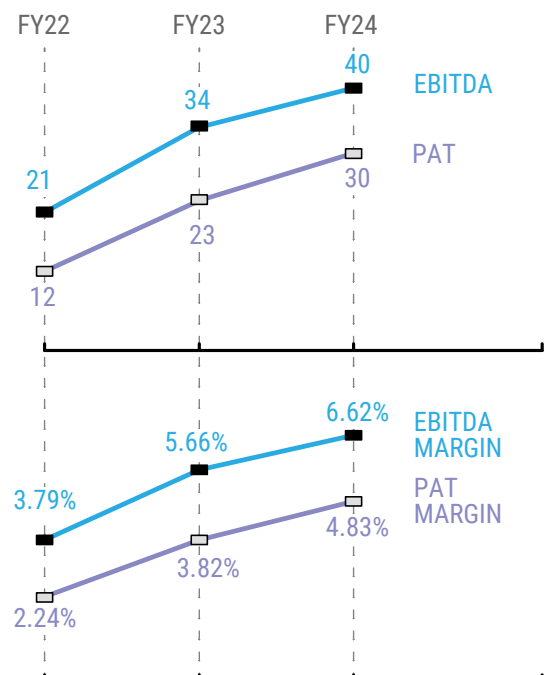
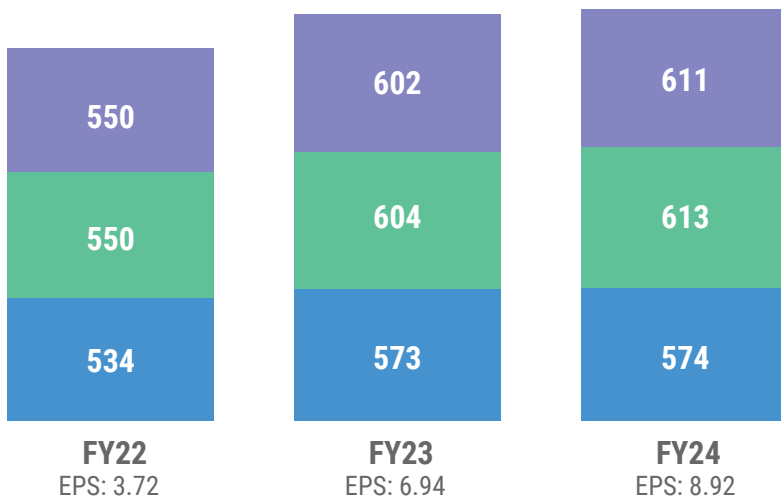
Valuations and Peer Comparison



Market Cap data of listed securities as on August 08, 2024

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





SARASWATI SAREE DEPOT LIMITED

Business Insights



Competitive Strengths

- Diversified supplier and customer base
- Diverse product portfolio
- Bulk buying capabilities
- Experienced Promoters and management team
- Existing client and supplier relationships
- Collaborative and experienced work force



Business Strategy

- Strengthening Inventory Management Practices
- Entering into men's ethnic wear segment
- Leverage technology to bring cost efficiency and enhance customer experience
- Capitalize on the increasing e-commerce for penetration in retail and wholesale category



Risks

- Company's business is highly concentrated on the sale of women's sarees and is vulnerable to variations in demand. Any changes in consumer preference could have an adverse effect on business, results of operations and financial condition.
- Company is operating in wholesale segment due to which it has lack of visibility and direct connection with the end consumers of products which may adversely affect ability to build brand loyalty and awareness with the end consumers.

Promoters and Management Details

Shankar Dulhani - Chairperson and Executive Director

Vinod Dulhani - Managing Director and Chief Executive Officer

Mahesh Dulhani - Executive Director

Rajesh Dulhani - Executive Director

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