



SKY GOLD LTD

GLOBAL EXPERTISE. REGIONAL DESIGNS.

Manufacturers & Exporters of : C.Z. & Plain Gold Jewellery



Date: 22/06/2024

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalai Street, Fort,
Mumbai 400001

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400051

Scrip Code: 541967

Trading Symbol: SKYGOLD

Subject: Acquisition of M/s Starmangalsutra Private Limited and M/s Sparkling Chains Private Limited

Dear Sir/ Madam,

With reference to the captioned subject, we would like to inform you that the Board of Directors at its Meeting held on Thursday, 20th June 2024, approved the purchase of 100% equity shares of M/s Starmangalsutra Private Limited and M/s Sparkling Chains Private Limited ('Target Companies') held by existing shareholders of the Company, which will result in 100% acquisition of the paid-up equity share capital of the target Companies, by way of share swap.

Kindly take this information into your records and acknowledge the receipt.

Thanking you.

Yours faithfully,

For Sky Gold Limited,

Mangesh Chauhan
Managing Director & CFO
DIN: 02138048
Place: Navi Mumbai

Registered / Factory / Corporate Office : Plot No. D-222/2, TTC Industrial Area, MIDC Shirawane, Navi Mumbai - 400 706.

Email ID : Accounts : accounts@skygold.co.in

Order : orders@skygold.co.in

Info : info@skygold.co.in

Dept. No. : Account : +91 93219 19656

Order : +91 93209 29299

Ratecut : +91 93219 19646

Website : www.skygold.co.in CIN No. : L36911MH2008PLC181989

Sky Gold Ltd Strengthens Portfolio with Acquisitions of Starmangalsutra and Sparkling Chains

Acquires 100% stake for an aggregate consideration of Rs. 49.98 crores

Mumbai, June 22, 2024: Sky Gold Ltd, one of India's leading jewellery companies has announced the acquisition of Mumbai-based Starmangalsutra Private Limited and Sparkling Chains Private Limited.

These acquisitions present significant opportunities for Sky Gold to further enhance its market visibility and broaden its range of high-quality jewelry, renowned for expert craftsmanship. Starmangalsutra Pvt. Ltd. specializes in the manufacturing of traditional and modern Mangalsutra jewelry, while Sparkling Chains Private Limited focuses on chain jewelry made from gold, silver, and other precious or base metals.

The company has acquired complete stake in both companies at a cost of Rs. 23.98 crores and Rs. 26.00 crores respectively. The consideration will be discharged by issue of 4,17,542 equity Equity Shares of the Company at an issue price of Rs. 1,197 having a face value of INR 10/- each to the existing Shareholders of M/s Sparkling Chains Private Limited and M/s Starmangalsutra Private Limited on a preferential basis.

Mr. Mangesh Chauhan, the MD & CFO of Sky Gold Ltd, commented on the acquisitions, stating, "The integration of Starmangalsutra and Sparkling Chains perfectly aligns with our growth objectives. These acquisitions are expected to enhance our margins through the combined synergies of the enterprise. By consolidating our operations, we are expanding our total addressable market and increasing product presence across numerous retail outlets. Mangalsutras, which have symbolized sanctity in Hindu tradition for centuries, have also evolved into a fashion statement in recent years, blending modern aesthetics with timeless Indian traditions. There is a growing demand for versatile mangalsutras and chains today. This acquisition will not only enable us to meet current demand but also drive continued growth and innovation across our product portfolio.

We anticipate this strategic move to increase consolidated EBITDA margin by 50-75 basis points from the current 4.4% in FY24 and boost our PAT margin to 3% from the current 2.6% within next 12 - 18 months. Our revenue crossed Rs. 1,745.5 crores in FY24 and with this strategic acquisition we plan to expedite ongoing plans to increase capacity utilization to full capacity within 2 years from the completion of the merger. We are confident that, coupled with this acquisition, we are well-positioned to achieve our revenue target of INR 6300 crores by FY27 and exceed it. We also expect to achieve economies of scale and reduce overall borrowing costs post-acquisition for the group."


This move comes at the heels of the company announcing a record-breaking fiscal year with more than two-fold increase in its net profit and transitioning to a significantly larger facility located in Navi Mumbai. Starmangalsutra recorded a turnover of INR 171 crore in FY24, while Sparkling Chains achieved INR 200 crore. Sky Gold Ltd is currently overseeing the integration of the acquisition to ensure a smooth transition for all stakeholders involved.

About Sky Gold Limited:

Established in 2008 Sky Gold Limited, is one of the leading jewellery companies based in Mumbai. The Company has been engaged in the business of Designing, Manufacturing and Marketing of gold jewellery. The Company is specialised in light weight jewellery of 18 & 22 Carat gold. The Company manufactures jewellery through casting. The Company make Plan Gold Jewellery, Studded Gold Jewellery, Diamond Studded Jewellery and Turkish Jewellery.

The Company works on B2B model with leading Jewellery Retailers like Malabar Gold and Diamonds, Joyalukkas, Kalyan Jewellers, GRT Jewellers and Samco Gold. The Company also works with large wholesalers. With this Sky Gold products are available at more than 2,000 showrooms across India.

SGL manufactures its Jewellery in its 81,000 Sq Ft manufacturing facility in Navi Mumbai India with the help of German and Italian Equipment. The Company is having capacity of processing 750 Kg Gold per month. The Company has design library of more than 5,00,000 designs of rings, bracelets, bangles, fancy pendants, earrings etc. The Company got listed on the BSE SME platform in the month of October 2018 and Migrated to the Mainboard of BSE and NSE in the month of January 2023.

Investor Relations: Orient Capital	
	Name: Parth Patel / Irfan Raean
	Email: Parth.Patel@linkintime.co.in / Irfan.raean@linkintime.co.in
	Tel :+91 98197 85972/ +91 97737 78669
	www.orientcap.com

Public Relations: Branding Edge Strategic Communication and Advisory	
	Name: Aishwarya Dash / Kanjika Ram
	Email: aishwarya@brandingedgestrategies.com / cs@brandingedgestrategies.com
	Tel :+91 9819291690 / +91 9987153401
	www.brandingedgestrategies.com