



**Jinkushal
Industries**



IPO Report

29 Sept, 2025



Rating

Business
Financials
Valuation
Management



Ranking 1 to 5, denoting lowest to highest



FIN2RESEARCH
Investment Advisor Pvt. Ltd.

Jinkushal Industries Ltd.



**Jinkushal
Industries**

IPO: Jinkushal Industries Ltd.

Sector: Electrical Equipments

Expected Listing Returns: Upto 10% to 15%

Stock Info	
Issue Size (Cr)	116.15
Lot Size	120
Face Value (per sh.)	Rs.10
Min. Investment	Rs.14,520
Issue Price Band	Rs.115 - Rs.121
Listing At	NSE, BSE
QIB	50%
HNI	15%
Retail	35%
Sales Type	Fresh & OFS
Fresh Issue	104.54 cr
OFS	11.61 cr
Issue Type	Book Build Issue
BRLM	GYR Capital Advisors Private Limited
Registrar	Bigshare Services Private Limited

IPO Timeline	
Opening Date	Thu, 25 September, 2025
Closing Date	Mon, 29 September, 2025
Allotment	Tue, 30 September, 2025
Initiation of Refund	Wed, 01 October, 2025
Credit of shares	Wed, 01 October, 2025
Listing Date	Fri, 03 October, 2025

Shareholding Pattern (Promoters)	
Anil Kumar Jain	56.0%
Abhinav Jain	18.0%
Sandhya Jain	10.0%
Tithi Jain	10.0%
Yashasvi Jain	5.0%
Kamla Bai Jain	1.0%
Total Promoters Holding	100.0%

Objective of Issue

- The Fresh Issue proceeds will be utilized primarily for long-term working capital requirements and general corporate purposes.

Jinkushal Industries Ltd. is engaged in the export trading of new/customized and used/refurbished construction machinery across global markets. The company's operations extend beyond conventional export trading. Leveraging its technical expertise and systematic processes, JKIPL refurbishes, customizes, modifies, and accessorizes both new and used machinery either in-house or through third-party vendors before export. This approach ensures optimized functionality, efficiency, and performance, tailored to meet specific customer requirements.

Key Highlights:

- **Market Leadership in Exports:** Jinkushal Industries is the largest non-OEM exporter of construction equipment from India, holding a 6.9% global market share. The company has been recognized as a Three-Star Export House and currently exports to over 30 countries, including the UAE, Mexico, Netherlands, and others. With subsidiaries in the UAE and USA, the company has established a strong international presence, making exports the core driver of its business.
- **Diversified Product Portfolio:** The company offers a comprehensive range of equipment such as hydraulic excavators, motor graders, backhoe loaders, soil/wheel loaders, bulldozers, cranes, and asphalt pavers. Its product mix includes new equipment, refurbished machines, and customized solutions, thereby catering to a wide spectrum of customers from price-sensitive buyers in emerging markets to rental companies seeking cost-efficient machines. The recent launch of its in-house HexL brand reflects its ambition to build a proprietary product line alongside refurbished OEM equipment.
- **Strategic Global Footprint:** Exports contribute ~99% of revenues, with Mexico (74.2%) and UAE (8.9%) together accounting for ~83% in FY25. While this indicates concentration risk, it also highlights deep penetration into these high-demand geographies. The presence of subsidiaries in key regions strengthens its distribution network and enhances customer confidence, positioning the company well for future global expansion.
- **Robust Financial Growth and Profitability:** The company has delivered impressive financial growth over the past three years. Revenue rose from ₹23,345 lakh in FY23 to ₹38,056 lakh in FY25, representing a CAGR of ~27.7%. Profit after tax nearly doubled over the same period, from ₹1,012 lakh to ₹1,914 lakh. The balance sheet has also strengthened — net worth tripled from ₹2,450 lakh (FY23) to ₹8,619 lakh (FY25), while the debt-to-equity ratio improved from 1.06 in FY24 to 0.58 in FY25, underscoring prudent capital management.

Valuation & Investment Recommendation

Jinkushal Industries, a leading non-OEM construction equipment exporter with a global presence, focuses on sustainability and has launched its proprietary HexL brand to drive a product-centric model. At the upper price band, it is valued at 21x FY25 P/E and 22x EV/EBITDA, and we recommend a "Subscribe – Long Term" rating for the IPO.

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SWOT Analysis

Strengths

Sustainable Refurbishment Model: Jinkushal enhances sustainability by refurbishing equipment to extend its life and reduce ownership costs, providing affordable alternatives to new machinery.

Diversified Market Presence and Optimized Machines Solutions: Jinkushal's global presence and diverse product range enhance resilience, while its focus on quality, refurbishment, and sustainability delivers cost-effective solutions for construction and infrastructure needs.

Efficient Supply Chain: Jinkushal has built a broad procurement network (228 suppliers in FY2025, including traders, contractors, and manufacturers). This diverse base allows flexible sourcing of equipment. It also operates multiple refurbishment centers (5 in India, 1 in UAE) and logistics partners to ensure timely machine delivery.

Strong Customer Relationships: The company has long-standing customer ties, with ~84% of FY2023-2025 revenues coming from clients retained over 3+ years. Management emphasizes repeat business by meeting client needs promptly, reinforcing loyalty.

Weaknesses

Heavy Export Dependence: Nearly all of Jinkushal's sales (~99.2% in FY2025) come from exports. This leaves the company vulnerable to fluctuations and uncertainties in international markets (e.g. regulatory changes, trade policies).

Customer Concentration: A small number of buyers account for most revenue. In FY2025, the top 5 customers contributed ~75.1% of sales, and the top 10 contributed ~84.8%. (For context, in FY2024 and FY2023 the top 5/10 accounted for >98% of revenue.) Loss or pricing pressure from any major client could significantly impact results.

Geographic Concentration: Sales are concentrated in a few countries. In FY2025, Mexico alone accounted for 74.2% of revenue and the UAE 8.9% (together ~83.0%). Dependence on Mexico/UAE means geopolitical, economic, or policy shifts there pose a risk.

Supplier and Logistics Risks: Jinkushal relies on third parties for procurement and transportation. Disruptions or price increases from key suppliers, or delays from logistics partners, could disrupt supply chain and margins

Opportunities

Export Incentive Schemes: Government initiatives like RoDTEP and MAI make Indian exports more competitive. RoDTEP rebates embedded duties, "significantly reducing the cost burden, making Indian manufacturers more competitive globally". These incentives can boost Jinkushal's pricing advantage and margin on exports.

Infrastructure Growth: Global and domestic infrastructure investment is rising. Mega-projects (e.g. China's Belt and Road, U.S. infrastructure plan) are driving "large-scale infrastructure expansion, strengthening trade corridors". Such trends should increase the need for heavy machinery, benefiting exporters like Jinkushal.

Emerging Market Demand: Developing economies (Africa, Southeast Asia, Latin America) have growing demand for cost-effective machinery. Jinkushal's refurbished/used equipment suits price-sensitive buyers in these regions. Capturing these markets is a growth path.

Rental and Leasing Sector: Companies prefer second-hand machines to cut costs. As the "growing rental and leasing sector boosts demand for used machinery", Jinkushal's refurbished inventory is well-positioned to serve this trend.

Threats

Global Trade Risks: Heavy reliance on exports exposes Jinkushal to external trade disruptions. Geopolitical tensions or policy shifts (new tariffs, sanctions, trade wars) could quickly impact market access. Even routine customs/FTA changes can impose additional costs or block shipments.

Cyclical Demand: The construction equipment market is tied to economic and infrastructure cycles. Any slowdown in government spending on infrastructure, or a recession in key markets, can sharply cut equipment demand.

Intense Competition: Jinkushal competes with both OEM manufacturers and used-equipment traders. Increased competition could force Jinkushal to lower prices or incur higher marketing costs, squeezing margins. Failing to differentiate its value proposition (e.g. quality, service) could result in lost market share.

Exchange Rate Volatility: Fluctuations in the INR or other currency shifts can affect export profitability. While high export revenue provides foreign currency inflows, adverse INR moves or currency controls could impact repatriation and equipment pricing.

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