



I P O R E S E A R C H D E S K

RESEARCH REPORT DATED 24 AUGUST 2026

Augmont Enterprises Limited

Mainboard IPO — Research Note

ISSUE DATES	21 August 2026 – 25 August 2026
PRICE BAND	₹750 – ₹788 per share (Face Value ₹5)
LOT SIZE	19 shares · ₹14,972 at cap price
ISSUE SIZE	₹825.00 Cr · Fresh ₹620 Cr + OFS ₹205 Cr
LISTING	BSE & NSE · 31 August 2026 (tentative)

SECTOR Precious Metals — Integrated Bullion, Refining & Digital Gold	FINANCIALS Rev ₹94,186 Cr (FY26) · PAT ₹348.3 Cr · 3Y Rev CAGR 64% · PAT CAGR 114%
VALUATIONS P/E 20.7x post-issue · P/B 4.7x post-issue · EV/EBITDA ~18.3x · proxy peer median P/E 37x	DEMAND Day-2 overall 14.46x · bHNI 29.93x · sHNI 41.10x · QIB ex-anchor 2.11x · Anchor 29.85% of issue
GMP +₹372 / ~47% over ₹788 · as of 24 Aug 2026, 19:01 · softening; indicative only	RECOMMENDATION APPLY (listing gains)

I P O R E S E A R C H D E S K

2. Executive Summary

Augmont runs India's largest organised bullion flow business. Gold and silver are procured, refined at two owned facilities, and sold to jewellers and dealers over an electronic spot platform — Augmont SPOT — that did ₹81,751 Cr of the ₹94,186 Cr FY26 topline. A consumer arm, Augmont Gold For All, sells digital gold, coins and EMI jewellery to 49.62 million registered users through 218 fintech partnerships. FY26 revenue grew 42% to ₹94,186 Cr and PAT rose 53% to ₹348.30 Cr, off a three-year base that compounds at 64% on revenue and 114% on profit. The balance sheet carries ₹12.67 Cr of borrowings against ₹926.87 Cr of net worth.

The number that frames everything else is 0.37%. That is the FY26 PAT margin. This is a turnover business, not a brand business, and it must be underwritten as one. Which is precisely why the headline multiple looks cheap. At ₹788 the company is asking 20.7x post-issue FY26 earnings against a proxy peer set of listed jewellery and bullion names trading at a 37x median. Every marquee anchor in the book has historically bought issues at a materially higher average multiple than this one. The issue is 75% fresh, promoters are selling only ₹205 Cr against a ₹7,200 Cr post-issue market capitalisation, and the grey market has repriced the paper from ₹190 to ₹372 in six sessions. With one bidding day left, the book is 14.46x covered, the bHNI bucket is at 29.93x and roughly ₹8,794 Cr has been bid.

The setup rewards the listing print. We are buyers here for the pop and the momentum window, not for the story — a 0.41% EBITDA margin, ₹42 Cr of negative operating cash flow in FY26, and a promoter-group entity accounting for 27.44% of revenue are not things we want to own through a results cycle.

Recommendation	Listing-Day View	Momentum View (T+2 - T+5)
APPLY (listing gains)	Expect a 30–35% listing print; GMP at ~47% and softening is still ahead of what we would underwrite	Hold only while the tape holds; trail the stop from the listing print and exit into strength by T+5

Source: NSE bid data 21 Aug 2026; RHP dated 17 Aug 2026; grey-market quotes as of 23 Aug 2026. GMP is unofficial and indicative only.

3. Company Overview & Business Model

Augmont Enterprises, incorporated in 2012 and promoted by the Kothari family of Mumbai, sits across the gold and silver value chain: it buys metal domestically and through imports, refines it, and sells it onward to the trade and to retail consumers. Four things are worth separating out, because they have very different economics.

Augmont SPOT — the enterprise engine (86.8% of FY26 revenue)

SPOT is an electronic bullion trading platform for jewellers, dealers and bullion houses. A member logs in, sees a live two-way price generated by Augmont's own price-discovery engine, transacts, and takes physical delivery from one of 20 delivery centres across 13 states. 5,223 enterprise members are registered. The company moved 53.41 MT of gold and 1,049 MT of silver through this channel in FY26. Revenue here is the full value of the metal, which is why the topline is ₹94,186 Cr on a ₹926 Cr net worth. The spread earned is a few basis points on each turn. This is a working-capital velocity business: the profit pool is a function of how often the inventory book turns, not of pricing power.

Augmont Gold For All — the consumer arm (7.1% of FY26 revenue)

The retail side sells digital gold and silver (₹2,159 Cr in FY26), coins and bars (₹3,675 Cr), and EMI-based jewellery (₹847 Cr), distributed through 218 fintech partnerships and 106 own centres. 49.62 million consumers are registered and 5.49 crore transactions were processed in FY26. Ticket sizes are small and the margin is better than the enterprise book, but at 7% of revenue it does not yet move the consolidated number.

Refining and manufacturing

Two NABL-accredited refineries — Rudrapur (144 MTPA) and Mumbai (140 MTPA) — plus a 13.80 MTPA jewellery unit in the Sitapura SEZ, Jaipur, which feeds the ₹5,701 Cr international sales line into Hong Kong, Turkey and the UAE. Refining is treated as an internal step rather than a revenue segment. Utilisation is the uncomfortable disclosure: 0.93% at Rudrapur and 8.53% at Mumbai against 284 MTPA of installed capacity, with 13.34 MT actually refined in FY26. That is a very large amount of idle plant, built for an ambition the volumes have not yet met.

Promoters and management

Nine promoters, all from the Kothari family, hold 92.75% pre-issue, falling to roughly 81.91% post-issue. Ketan Bhawarlal Kothari is Managing Director and CEO. The family's precious-metals lineage runs through RiddiSiddhi Bullions Limited, a promoter-group bullion house that is simultaneously Augmont's largest customer. We return to that in Section 11 — it is the single most important governance fact in the offer document. The company employs 297 people, of whom 40 sit in an in-house technology team.

What could break it

Three things. A sustained fall in gold prices, which compresses the revenue base and the inventory carried against it. A disruption to the SPOT platform, on which roughly 90% of revenue depends. And any loss of the promoter-group customer supplying more than a quarter of the topline. None is a listing-window risk. All three are reasons we do not want the paper beyond the momentum window.

4. Market Position & Client Base

The RHP does not disclose a market share, and no credible independent estimate exists for organised bullion flow in India — the market is large, fragmented and substantially informal. What can be said is that Augmont is one of a small handful of players operating a licensed electronic spot platform with in-house refining and NSE-authorised Electronic Gold Receipt capability. That combination is the moat, such as it is. The barrier here is regulatory permission and trade trust, not technology or capital.

Customer concentration — the trajectory is the problem

Concentration Metric	FY2024	FY2025	FY2026
Top 5 customers (% of revenue)	29.43%	28.89%	46.32%
Top 10 customers (% of revenue)	36.63%	35.72%	52.09%
Largest customer — RiddiSiddhi Bullions (promoter group)	n.d.	n.d.	27.44%
Enterprise + international sales (% of revenue)	n.d.	n.d.	92.90%
Top 10 suppliers (% of purchases)	n.d.	n.d.	74.18%

Source: RHP / Abridged Prospectus, 17 August 2026. n.d. = not disclosed. The RHP discloses enterprise + international sales as a range of 92.90%–95.88% across FY24–FY26 without a year-wise split; only the FY26 figure is separately identifiable.

Top-10 concentration jumped from 35.72% to 52.09% in a single year. That is not a business diversifying into scale; that is a business whose growth was delivered by a handful of large accounts. Crossing the 50% line matters. Above it, the loss of two or three relationships is a material event rather than an inconvenience. And there are no long-term contracts. Every SPOT member transacts order by order, with no exclusivity and no committed volume. Management will argue, fairly, that this is simply how bullion works: nobody signs a five-year contract to buy gold. The counter is that it leaves the revenue base with no contractual floor at all.

The client base itself

On the enterprise side, 5,223 registered members — jewellers, dealers and bullion houses spread across 24 states, with the physical fulfilment run through 9 owned and 11 franchisee delivery centres. On the consumer side, distribution is almost entirely partner-led: 218 fintech tie-ups place Augmont's digital gold product inside third-party apps, which is an efficient way to acquire 49.62 million registered users but also means the customer relationship is rented, not owned. If a large partner switches supplier, the users go with the app.

The single largest customer, at 27.44% of FY26 revenue, is RiddiSiddhi Bullions — a promoter-group entity in the same line of business. Read the concentration table with that in mind: a meaningful part of what looks like third-party customer traction is intra-group flow.

5. Geographic Distribution & Revenue Model

Revenue Vertical (FY2026)	₹ Cr	% of Revenue	Character
Augmont SPOT — enterprise bullion	81,750.57	86.80%	Domestic B2B
Augmont Gold For All — consumer	6,687.24	7.10%	Domestic B2C
International sales incl. jewellery exports	5,701.49	6.05%	Export
Other / enterprise services	46.92	0.05%	Domestic
Total revenue from operations	94,186.21	100.00%	—

Source: RHP dated 17 August 2026. Refining and jewellery manufacturing are not reported as separate revenue segments; jewellery output from the Sitapura SEZ sits within international sales.

Roughly 94% of revenue is domestic, spread across 24 states, with fulfilment concentrated in the 13 states carrying delivery infrastructure. Export sales of ₹5,701 Cr run into Hong Kong, Turkey and the UAE, and are largely jewellery manufactured at the Jaipur SEZ unit. At 6% of the topline the currency exposure is contained, but the import side of the ledger is not: metal procurement of 65.56 MT in FY26 was split roughly 82% domestic and 18% imported, which puts customs duty, sanctions risk and cross-border logistics on the cost line even though they barely register on the revenue line.

How the money is actually made

Not from price. Augmont earns a spread on each transaction plus small platform, refining and fulfilment fees, and the arithmetic only works because the inventory book turns fast. The company cites a working-capital cycle of under two days on the B2B platform. Turn a rupee of inventory 180 times a year at a few basis points a turn and you get a respectable return on equity; turn it 60 times and you do not. That is the whole model. It also explains the ₹465 Cr of fresh proceeds going into inventory — in this business, incremental capital is incremental revenue almost mechanically, until the metal stops moving.

Gold volumes on SPOT actually fell in FY26 — 61.84 MT down to 53.41 MT — while revenue rose 42%. The growth was price-led, not volume-led. If gold gives back a chunk of its run, the topline and the earnings base both move with it. That asymmetry is not visible anywhere in the headline growth rates.

6. Technology & Platform Infrastructure

There is no R&D line in this business in the pharma or chemicals sense, but the technology stack is not incidental — it is the reason the company can charge for a service that is otherwise a phone call between two bullion dealers. Three components matter.

First, the proprietary price-discovery engine that generates Augmont's live two-way quote. It has been refined over roughly fourteen years of operation and is the reference price 5,223 enterprise members transact against. The RHP carries an explicit risk factor on reliance on the accuracy of this technology, which is the correct way to think about it. The platform's credibility is the product.

Second, NSE-authorised Electronic Gold Receipt capability. EGRs are the exchange-traded, dematerialised form of physical gold introduced to formalise the bullion market. Being an authorised participant places Augmont on the right side of a structural regulatory push, and it is a permission set that a new entrant cannot simply buy.

Third, the consumer distribution layer: 218 fintech partnerships that embed digital gold purchase inside third-party applications, processing 5.49 crore transactions in FY26 against 3.57 crore in FY25 and 2.85 crore in FY24. The transaction count is compounding at roughly 39% a year. All of it is supported by a 40-person in-house team.

Digital gold currently sits outside any dedicated regulatory framework in India. That is a tailwind while it lasts — and a live regulatory event risk the moment a framework arrives. We would not capitalise this optionality into the price.

7. IPO Structure & Use of Proceeds

Issue Structure

Particulars	Amount (₹ Cr)	No. of Shares	% of Total
Fresh Issue	620.00	78,68,020	75.15%
Offer for Sale (OFS)	205.00	26,01,521	24.85%
Total Issue Size	825.00	1,04,69,541	100.00%

Selling shareholders (all promoters): Namita Ketan Kothari ₹69.40 Cr · Vivek Prithviraj Kothari ₹69.40 Cr · Dimple Mukesh Kothari ₹66.20 Cr.

Use of Proceeds — Fresh Issue

Objective	Amount (₹ Cr)	% of Fresh Issue
Working capital: procurement, maintenance and scaling of inventory, and advance margin for inventory procurement	465.00	75.00%
General corporate purposes and issue expenses	~155.00	~25.00%
Total Fresh Issue	620.00	100.00%

The RHP leaves the general corporate purposes figure at [●], stating only that it will not exceed 25% of gross proceeds. The ~₹155 Cr above is our residual computation, not a disclosed number.

The structure is the most reassuring thing about this issue. OFS is 24.85%, nowhere near the 50% line at which we start reading an offer as an exit. Three promoters are selling ₹205 Cr against a post-issue market capitalisation of ₹7,200 Cr; that is trimming, not leaving. Post-issue promoter holding stays around 81.91%, which means the free float is roughly 18% and the tradeable stock on day one is small relative to the demand the book is generating. For a listing-day call, tight float is a feature.

Three-quarters of the fresh money goes straight into inventory. That is honest. This is a working-capital business and RBI norms restrict bank lending against bullion stock, so equity is genuinely the cheapest funding available. It is also a warning about the future: a business that must raise equity to fund inventory will need to do it again if it keeps growing at 40%.

Category Reservation

Category	% of Issue	Shares	Minimum Bid
Anchor Investors (within QIB)	29.85%	31,25,633	—
QIB — net of anchor	19.90%	20,83,757	—
NII — bHNI (above ₹10 L)	9.95%	10,41,878	67 lots / 1,273 sh / ₹10,03,124
NII — sHNI (₹2–10 L)	4.98%	5,20,939	14 lots / 266 sh / ₹2,09,608
Retail Individual	34.83%	36,46,574	1 lot / 19 sh / ₹14,972
Employee Reservation	0.48%	50,759	1 lot / 19 sh / ₹14,972

Share counts on the cap-price (₹788) basis per the RHP. Book Running Lead Managers: Nuvama Wealth Management, Intensive Fiscal Services, JM Financial, Motilal Oswal Investment Advisors. Registrar: MUFG Intime India. Track record analysis in Section 10.

8. Financial Performance Analysis

Profit & Loss

Particulars (₹ Cr)	FY2024	FY2025	FY2026
Revenue from Operations	34,921.49	66,230.78	94,186.21
Other Income	27.40	21.27	96.26
EBITDA	103.92	304.09	385.95
EBITDA Margin (%)	0.30%	0.46%	0.41%
Profit Before Tax	104.35	305.28	473.10
Profit After Tax	75.97	227.19	348.30
PAT Margin (%)	0.22%	0.34%	0.37%
EPS — Basic & Diluted (₹)	9.08	26.89	40.45

Restated consolidated financials per the RHP dated 17 August 2026. Indian fiscal year, April–March. FY24 and FY25 EBITDA margins are computed.

Balance Sheet & Cash Flow

Particulars (₹ Cr)	FY2024	FY2025	FY2026
Net Worth	204.87	422.94	926.87
Total Borrowings	54.86	21.54	12.67
Debt / Equity (x)	n.d.	0.05	0.01
Total Assets	760.29	1,857.31	1,256.98
Cash Flow from Operations	96.74	105.45	(42.16)
Return on Net Worth (%)	43.98%	69.47%	49.52%
Return on Capital Employed (%)	49.27%	70.10%	40.27%
NAV per Share (₹)	25.29	52.21	111.00

n.d. = not disclosed. Inventory, trade receivables and cash balances are not separately disclosed in the abridged financial information.

The trajectory is spectacular on the surface. Revenue compounds at 64% over two years, EBITDA at 93%, PAT at 114%. Debt has been paid down from ₹54.86 Cr to ₹12.67 Cr and the company is effectively unlevered. Return on net worth has run between 44% and 69%. On screen the print looks excellent.

Under the hood, three things need saying. First, the growth is substantially price-led rather than volume-led — gold sold on SPOT fell from 61.84 MT to 53.41 MT even as revenue rose 42%. Bullion revenue is metal value, so a rising gold price inflates the topline without a single extra transaction. Strip the price effect and the underlying business grew far less than the headline suggests. Second, margins did not expand; EBITDA margin actually contracted from 0.46% to 0.41%. There is no operating leverage story here, because there is no meaningful fixed cost base to spread — the cost of goods is the business. What improved was scale of throughput, not unit economics.

Third, and most important, cash. FY26 delivered ₹348.30 Cr of reported profit against negative ₹42.16 Cr of operating cash flow. Every rupee of accounting profit and then some was absorbed into working

capital. In a bullion business that is not automatically a fraud signal — inventory is the asset, and growing the book consumes cash by construction — but it does mean the earnings are not self-funding. It is also the reason ₹465 Cr of the fresh issue is earmarked for inventory. The company is raising equity because the profit cannot fund its own growth.

Two disclosures we cannot reconcile from the abridged financials. Net worth rose ₹503.93 Cr in FY26 against ₹348.30 Cr of profit, implying roughly ₹156 Cr of fresh equity taken in during the year — consistent with the RHP's disclosure of pre-IPO transactions between ₹40.15 and ₹991.00 and a one-year weighted average cost of acquisition of ₹595.23. And total assets fell from ₹1,857.31 Cr to ₹1,256.98 Cr while revenue grew 42%, which implies a very large short-term liability position unwound during the year. Neither is disqualifying. Both would need the full schedules to explain, and neither is explained in the abridged document.

Contingent liabilities stand at ₹15.05 Cr, comprising tax disputes and bank account attachments arising from a cyber incident. Eight tax proceedings against the company total ₹13.51 Cr. The auditors have recorded no qualification in the examination report.

9. Valuation

The RHP states plainly that there are no listed companies in India or globally engaged in a business similar to Augmont's. We accept that and have therefore built our own proxy set rather than pretending a peer table exists. It should be read with care: only one of these names shares Augmont's economics.

Company	P/E (x)	P/B (x)	RoE (%)	EBITDA Mgn	PAT Mgn	MCap ₹Cr
Augmont @ ₹788 (post-issue)	20.7	4.7	22.5	0.41%	0.37%	7,200
Rajesh Exports	13.8	0.14	0.7	0.01%	0.01%	2,338
Titan Company	77.4	28.7	37.7	9.54%	5.79%	4,51,537
Kalyan Jewellers	42.6	9.9	24.8	7.17%	3.78%	62,332
Senco Gold	9.9	2.3	25.6	11.50%	6.81%	5,661
PN Gadgil Jewellers	19.8	4.2	23.4	5.74%	3.82%	8,875
Thangamayil Jewellery	43.4	12.0	28.1	6.65%	4.14%	17,056
Sky Gold & Diamonds	37.1	10.4	29.2	7.25%	4.78%	12,444
Proxy Peer Median	37.1	9.9	25.6	7.17%	4.14%	—

Peer data from exchange-sourced screens as at the 21 August 2026 close; markets were shut 22–23 August. Augmont's RoE is computed on post-issue net worth. Peer set is our construct — the RHP carries no peer comparison.

At ₹788 Augmont asks 20.7x post-issue FY26 earnings and 4.7x post-issue book, against a proxy peer median of 37x and 9.9x. On the face of it that is a 44% discount to the comparable set on earnings. The market capitalisation is 0.076x revenue, which is what a turnover business looks like.

We are not going to pretend the discount is the whole story. Two adjustments matter. The jewellery retailers in the table earn 6–11% EBITDA margins on brand and store economics; Augmont earns 0.41% on flow. Those are not the same asset and should not trade on the same multiple — the discount is deserved, not an anomaly. And the peers' FY26 margins are themselves flattered by gold price appreciation on inventory, which makes the 37x median look cheaper than it really is. Against the one structural analogue, Rajesh Exports at 13.8x earnings and 0.14x book with sub-1% RoE, Augmont is expensive — though Rajesh Exports is a broken business and Augmont, on a 22.5% post-money return on equity, is not.

The number to keep hold of: post-money return on equity falls to roughly 22.5% once the ₹620 Cr fresh issue lands on the balance sheet, from 49.5% pre-money. That is below Kalyan, Senco, PN Gadgil, Thangamayil and Sky Gold. The high-RoE framing being circulated in broker notes is a pre-dilution number and it does not survive the issue.

Our position: the multiple is undemanding for the listing window and defensible on a two-to-three day view. It is not cheap on a normalised basis, because the earnings base sits on a gold price and a 37-basis-point margin. We are paying 20.7x for a business with almost no error tolerance. That is fine for a pop. It is not fine for a hold, and we are not proposing one.

10. Demand, Application-Wise Breakup, Anchor Quality & BRLM Track Record

10.1 Subscription Trajectory

Category	Day 1 (21 Aug)	Day 2 (24 Aug)	Day 3 (25 Aug)	Shares Offered
QIB — excluding anchor	1.76x	2.11x	pending	21,89,333
NII — bHNI (above ₹10 L)	3.05x	29.93x	pending	10,94,667
NII — sHNI (₹2–10 L)	5.82x	41.10x	pending	5,47,333
NII — total	3.97x	33.65x	pending	16,42,000
Retail Individual	2.79x	13.37x	pending	38,31,333
Employee	1.41x	8.77x	pending	53,333
Overall	2.74x	14.46x	pending	77,15,999

Official NSE bid data at 17:00 on 21 August and 17:00 on 24 August 2026, floor-price (₹750) denominator throughout. Trackers quoting 15.20x overall use the cap-price share count; the bid book is identical. Aggregate bids at Day-2 close were approximately ₹8,794 Cr, essentially all at the ₹788 cut-off. 21 August was a Friday, so this is a three-day book: 21, 24 and 25 August.

Day 2 did what Day 2 is supposed to do, and then some. The book moved from 2.74x to 14.46x, with the heavy lifting in the non-institutional buckets: bHNI went from 3.05x to 29.93x and sHNI from 5.82x to 41.10x, while retail multiplied nearly five-fold to 13.37x. Roughly ₹8,794 Cr of bids are now in against an ₹825 Cr issue. Most of it arrived late in the session, which is the normal shape for a funded HNI book.

The institutional bucket is the exception and it is the one number we would not gloss over. QIB excluding anchor sits at 2.11x, up from 1.76x — the weakest category in the book by a wide margin, and barely moved on a day when everything else went up five to ten times. The composition inside it has improved: domestic mutual funds bid 3,18,041 shares on Day 2 against 3,819 on Day 1, an eighty-three-fold jump. But that is still only 6.9% of the QIB book, against 82% from FIIs. Four domestic fund houses already took 44.27% of the anchor portion, so the money is in the issue at the anchor price rather than absent from it. The point stands regardless: the visible institutional bid on the tape is overwhelmingly foreign, and foreign money is the first to step back when the tape turns.

10.2 Application-Wise Bid Structure — Quantity and Amount per PAN

Category	Lot(s)	Quantity (Shares)	Amount at ₹788 (₹)
Retail Individual (RII)	1	19	14,972
NII — sHNI (₹2–10 L)	14	266	2,09,608
NII — bHNI (above ₹10 L)	67	1,273	10,03,124
Employee Reservation	1	19	14,972

Minimum bid per application at the cap price of ₹788. Bids should be placed at the cap price or at cut-off. Retail applications above one lot move in multiples of 19 shares; the sHNI ticket must remain below ₹10 lakh and the bHNI ticket at or above ₹10 lakh to stay in the intended bucket.

The instruction for the desk is to place the minimum ticket for the relevant category on every PAN available across the family and entity group, rather than concentrating the capital into one large application. Allotment in the NII buckets is proportionate, with a minimum-lot draw where the bucket

is heavily oversubscribed. Each additional PAN is an additional draw. A single outsized bid in one name does not improve the probability of receiving a minimum allotment; several applications across PANs do.

Two things to watch when placing the bids. Do not straddle the ₹10 lakh boundary — an application of ₹9.9 lakh falls into the sHNI bucket, which closed Day 2 at 41.10x, while ₹10,03,124 falls into the bHNI bucket at 29.93x. The bHNI bucket remains the less crowded of the two, and a bid a few thousand rupees short of the line lands in the more crowded one. And size the expectation correctly: at the Day-2 bHNI multiple, a minimum ₹10,03,124 application maps to roughly 40 shares on a proportionate basis, which rounds to about two lots. Day 3 will compress that further, most likely towards a single lot per application. That is the arithmetic that makes the number of PANs, rather than the size of any one ticket, the variable worth maximising.

10.3 Grey Market Premium

Date	GMP (₹)	Implied Gain	Note
18–19 Aug	190	24.1%	Pre-open; sources conflict on the exact date
19 Aug	280	35.5%	Repriced ahead of anchor allotment
20 Aug	285	36.2%	Anchor book allotted at ₹788
21 Aug	300	38.1%	Day 1 close, issue 2.74x covered
22 Aug	310 – 380	39% – 48%	Wide cross-dealer dispersion
23 Aug	380 – 395	48% – 50%	Weekend quote, no traded session
24 Aug	372	47.2%	19:01 post-close; ticked down from ₹380

Grey market quotes collated from multiple trackers. The grey market is unregulated, unsettled and has no clearing mechanism. Treat these as sentiment readings, not prices.

This is the most informative divergence in the note. Between Friday close and Monday close the book went from 2.74x to 14.46x — a five-fold jump in demand — and the grey market went from ₹395 to ₹372. It softened. Premiums that fail to make a new high on a day when the order book quintuples are telling you the operators were already positioned for this level of subscription and are now taking the other side. Add the ₹360–₹395 cross-dealer dispersion still visible on 24 August, roughly a 10% spread on the same day, and the ₹372 print carries less information than its precision suggests. We read the direction as the signal and the level as noise, and the direction on Day 2 was mildly negative.

10.4 Anchor Quality — Seven-Year Backtest

Anchor Investor	Prior Issues	Avg Listing Gain	Avg P/E Bought	2026 Form	This Issue
Nomura (India Stock Mother Fund)	99	20.21%	119.7x	+40.2%	20.30%
Tata Mutual Fund (Small Cap)	95	21.91%	42.2x	+31.1%	14.21%
Nippon India MF (Small Cap)	154	27.32%	74.6x	+52.6%	12.99%
HDFC Mutual Fund (2 schemes)	147	23.93%	48.5x	+30.0%	12.99%
Jupiter (India Fund + Global)	46	21.40%	146.5x	+66.3%	12.18%
Turnaround Opportunities	10	3.18%	16.2x	inactive	8.12%

Anchor Investor	Prior Issues	Avg Listing Gain	Avg P/E Bought	2026 Form	This Issue
Fund					
TrustMF Flexi Cap Fund	12	7.00%	202.3x	inactive	4.08%
Edelweiss Life Insurance	22	7.23%	26.9x	inactive	4.06%
Authum Investment & Infrastructure	15	23.18%	176.6x	inactive	2.34%
Bengal Finance & Investment	16	8.96%	28.8x	inactive	2.33%
Societe Generale — ODI	140	8.75%	71.8x	-9.8%	2.03%
LionGlobal India Fund	—	not in base	—	—	2.03%
Girik Multicap Growth Equity Fund III	—	not in base	—	—	2.33%

Backtested against our proprietary base of 688 mainboard anchor investors, 2020–2026. 'This Issue' is share of the ₹246.30 Cr anchor portion. LionGlobal and Girik do not appear in the seven-year base — we have no historical pattern to score them by.

This is a better book than the size of the issue would ordinarily command. Nippon India, HDFC, Tata, Nomura and Jupiter between them took roughly 73% of the anchor portion, and all five are top-tier repeat participants with 46 to 154 prior mainboard issues each. Their 2026 form is the striking part. Every one of them is running a listing gain north of 30% on this year's participations, with Nippon at 52.6% and Jupiter at 66.3%. Domestic mutual funds took 44.27% of the anchor book across four houses and five schemes, which is a heavier MF weighting than most ₹800 Cr issues achieve.

The most interesting number in this section is the P/E column. Nomura historically buys at an average 119.7x, Jupiter at 146.5x, Nippon at 74.6x, HDFC at 48.5x, Tata at 42.2x. This issue is priced at 20.7x. Every marquee name in the book is buying materially below its own historical valuation comfort zone — the only anchor here that habitually buys cheaper is Turnaround Opportunities at 16.2x. Read one way, that is a genuine value signal from investors who normally pay up. Read the other way, a 0.37% margin business simply cannot support the multiples these funds usually underwrite, and the low P/E is a function of a flattered denominator rather than a bargain. We lean towards the first reading for the listing window and the second for anything longer.

The weaker end of the book deserves a mention. Turnaround Opportunities (3.18% average listing gain over 10 issues), TrustMF (7.00% over 12), Edelweiss Life (7.23% over 22) and Bengal Finance (8.96% over 16) are not names whose participation adds to a listing thesis, and Societe Generale's ODI book runs an 8.75% average across 140 issues with a negative 2026. Together they hold about 19% of the anchor portion. Call it ballast rather than conviction.

10.5 BRLM Track Record — Seven-Year Backtest

Book Running Lead Manager	IPOs (7Y)	Hit Rate	Avg Listing Gain	2024–2026 Trend
Intensive Fiscal Services	12	83.3%	27.65%	1/1 in 2024 (+53.3%), 1/1 in 2025 (+72.0%)
JM Financial	104	72.1%	18.51%	2026: 2 issues, 0 positive, -5.69%

Book Running Lead Manager	IPOs (7Y)	Hit Rate	Avg Listing Gain	2024-2026 Trend
Motilal Oswal Investment Advisors	43	67.4%	16.30%	2026: 2/2 positive, +5.67%
Nuvama Wealth Management	34	67.6%	12.26%	No issues 2023-25; 2026: 1 issue, negative
Combined (this syndicate)	193	71.0%	~18.7%	2026: 5 issues, 2 positive (40%)

Backtested against our proprietary base of 77 mainboard lead managers, 2020-2026. Hit rate = proportion of issues that listed above the offer price.

Over seven years this is a competent, unremarkable syndicate: 193 mainboard issues, a 71% listing-premium hit rate, an 18.7% average listing-day gain. Intensive Fiscal is the standout, a small book of 12 issues but an 83% hit rate and the best recent form of the four, with its 2024 and 2025 issues listing up 53% and 72%. JM Financial brings the distribution muscle that a book like this needs.

The recent trend is where we would not gloss. Across the four names, 2026 has produced five mainboard issues of which only two listed positive, a 40% hit rate against a 71% lifetime average. Nuvama, the lead left, has run no mainboard issue in our base between 2023 and 2025 and its one 2026 issue listed flat-to-negative. Independent tallies of this syndicate's last 93 issues put roughly a third below the offer price. Following the methodology we apply to every note, we weight the recent tape more heavily than the lifetime aggregate, and it argues for a smaller listing pop than the anchor quality alone would suggest.

Strong anchor participation and a good BRLM track record reduce listing risk; they do not eliminate it.

11. Risk Factors

1. [PRIMARY CONCERN] Promoter-group entity is the largest customer.

RiddiSiddhi Bullions Limited accounted for 27.44% of FY26 revenue and is a promoter-group company in the same line of business. Total related-party dealings in FY26 ran to roughly ₹45,714 Cr, including about ₹25,826 Cr of direct sales and ₹6,742 Cr of corporate loans extended to RiddiSiddhi. RiddiSiddhi was itself under a SEBI restraint order between 2015 and 2018, settled on payment of ₹0.54 Cr. This is not a disclosure problem. It is all in the offer document. It is a structural one. More than a quarter of the revenue base, and a very large lending exposure, sits with a related party whose pricing is not arm's-length-tested by the market. What would change our view: a sustained fall in the RiddiSiddhi share of revenue and an unwind of the intercompany lending. Neither is likely inside our holding window, which is one of several reasons that window is short.

2. Profit is not converting to cash.

FY26 produced ₹348.30 Cr of reported PAT against negative ₹42.16 Cr of cash flow from operations, after two years of positive CFO (₹96.74 Cr and ₹105.45 Cr). In a bullion business inventory growth legitimately consumes cash, so this is not automatically an accounting red flag. It does mean the earnings are not self-funding and that ₹465 Cr of fresh equity is going in to plug the gap. A business that must issue equity to fund inventory will have to do it again if growth continues at this rate.

3. There is almost no margin to absorb an error.

EBITDA margin is 0.41% and PAT margin 0.37%. Forty-one paise of EBITDA per hundred rupees of revenue leaves no room for a mispriced hedge, a bad delivery, a counterparty default or a duty change. A ten-basis-point move against the company on the gross spread wipes out roughly a quarter of EBITDA. Margins also went the wrong way in FY26, compressing from 0.46%.

4. The growth is a gold price, not a volume ramp.

Gold sold on the SPOT platform fell from 61.84 MT in FY25 to 53.41 MT in FY26, while revenue rose 42%. Because bullion revenue is recognised at metal value, a rising gold price inflates both the topline and the earnings base without any additional business being done. The RHP carries an explicit risk factor on the hedging book, but the hedge ratio, instruments and any unhedged position are not disclosed in the material we could obtain. We cannot size the downside from a gold correction, and neither can any other reader of this document.

5. **Customer and supplier concentration, both rising.** Top-10 customers moved from 35.72% of revenue in FY25 to 52.09% in FY26 — crossing the level at which the loss of two or three relationships becomes material. The top 10 suppliers account for 74.18% of purchases. No customer is on a long-term contract; all business is order by order with no exclusivity and no committed volume.

6. **Stranded refining capacity.** 284 MTPA of installed refining capacity across Rudrapur and Mumbai, running at 0.93% and 8.53% utilisation respectively, against 13.34 MT actually refined in FY26. That is an asset base built for volumes that have not arrived, carrying fixed costs against a business with a 41-basis-point margin.
7. **Structural funding constraint on working capital.** RBI norms restrict bank lending against bullion inventory, which is why the company is unlevered by choice rather than by discipline and why three-quarters of the fresh issue goes to inventory. Growth in this model is capital-hungry and the cheapest capital available is equity. Read the ₹465 Cr as the first instalment, not the last.
8. **Regulatory framework for digital gold does not yet exist.** The consumer arm's digital gold product currently operates outside any dedicated regulatory regime. A framework, when it arrives, could impose custody, capital or disclosure requirements that change the unit economics of a segment the equity story leans on heavily.
9. **Pricing history versus the offer price.** The weighted average cost of acquisition over the preceding three years was ₹39.73 per share, and over the preceding year ₹595.23, against an offer price of ₹788. The selling shareholders' weighted average cost is ₹1.86. The RHP itself carries a risk factor flagging prior issuances at prices potentially below the offer price. That gap is not an argument against the trade, but it is a reminder of how much of the value being asked for was created in the twelve months before filing.

10. Listing volatility.

Even with a marquee anchor book and a 50% grey market premium, mainboard IPOs in the current regime have shown sharp intraday swings on the listing print and through the first few sessions. A weak open, a broad-market gap-down on 31 August, a gold price correction into the listing, or simply thin follow-through can undo the setup regardless of how the book looked on 25 August. The syndicate's own 2026 record — five issues, two positive — is the relevant base rate, not the seven-year average. This is not a risk-free recommendation, and a strong anchor book does not guarantee listing gains.

12. Investment Strengths & Positive Indicators

1. **The multiple is undemanding for the window.** 20.7x post-issue FY26 earnings against a proxy peer median of 37x, and 0.076x revenue. Whatever one thinks of the quality of those earnings, the issue is not being priced for perfection — which is precisely the condition under which listing pops happen. Issues that break on debut are usually the ones asking 60x.
2. **Every marquee anchor is buying below its own historical valuation band.** Nomura habitually participates at an average 119.7x, Jupiter at 146.5x, Nippon at 74.6x, HDFC at 48.5x, Tata at 42.2x. This issue is at 20.7x. Five investors with 46 to 154 prior mainboard issues each are stepping well outside their usual price band on the cheap side. That is an unusual configuration and it is a genuine positive for the listing print.
3. **Anchor 2026 form is exceptional.** The five largest anchors are running average listing gains of 30% to 66% on their 2026 participations — Nippon 52.6%, Jupiter 66.3%, Nomura 40.2%, Tata 31.1%, HDFC 30.0%. These are the funds whose selections have worked this year, and they hold roughly 73% of a ₹246.30 Cr anchor book. Domestic mutual funds took 44.27% of the anchor portion, a heavier MF weighting than most issues of this size achieve.
4. **The issue is fresh-issue-led and the float is tight.** OFS is 24.85% — well below the 50% threshold at which we read an offer as an existing-investor exit. Promoters are selling ₹205 Cr against a ₹7,200 Cr post-issue market capitalisation and retain roughly 81.91%. Free float is about 18% of ₹7,200 Cr, or ₹1,300 Cr of tradeable stock on debut against a book that has already attracted ₹1,666 Cr of bids in one day. Tight float and heavy demand is the classic setup for a strong open.
5. **Balance sheet is effectively unlevered.** ₹12.67 Cr of total borrowings against ₹926.87 Cr of net worth, a debt-to-equity ratio of 0.01, and debt reduced from ₹54.86 Cr over two years. Whatever the cash conversion issue, there is no solvency question here and no interest burden eating the thin margin.
6. **Demand on Day 1 was broad and early.** 2.74x on Day 1 and 14.46x at Day-2 close, with bHNI at 29.93x, sHNI at 41.10x, retail at 13.37x and employees at 8.77x. Roughly ₹8,794 Cr of bids stand against an ₹825 Cr issue, with one bidding day still to run and the funded HNI money typically arriving on the last afternoon. Retail at more than 13x on a ₹287 Cr retail portion is broad participation, not a handful of large tickets.
7. **The formalisation tailwind is real and Augmont sits on the right side of it.** NSE-authorized Electronic Gold Receipt capability, two NABL-accredited refineries, a licensed electronic spot platform and 49.62 million digital consumers acquired through 218 fintech partnerships. India's bullion market is moving from informal to organised, and the permission set required to operate here is not something a new entrant can simply buy.
8. **Growth optics will support the narrative into listing.** 64% revenue CAGR and 114% PAT CAGR over FY24–FY26, with RoNW between 44% and 69% pre-dilution. We have set out in Section 8 and Section 9 why we do not underwrite these numbers as normalised. For the purpose of a listing-day print, however, the headline is what the marginal buyer reads, and the headline is very good.

13. Final Recommendation & Conclusion

R E C O M M E N D A T I O N

APPLY (listing gains)

Expected listing band 30–35% · ₹1,024 – ₹1,064 · Exit on the listing print or into the T+2–T+5 tape

Take the five pillars in order. Financial quality is the weakest link: 64% revenue CAGR and 114% PAT CAGR look extraordinary until you see gold volumes falling in FY26, EBITDA margin compressing to 0.41%, and ₹348 Cr of profit arriving with negative ₹42 Cr of operating cash flow. Valuation is the strongest: 20.7x post-issue earnings and 4.7x post-issue book against a proxy peer median of 37x and 9.9x, and below the historical buying band of every marquee anchor in the book. GMP at ₹372 ticked down on Day 2 even as the book quintupled — direction is the signal, and it turned mildly negative. Demand is the second-strongest pillar: 14.46x covered at Day-2 close, roughly ₹8,794 Cr bid, bHNI at 29.93x and sHNI at 41.10x, with the funded money of the last afternoon still to come. OFS at 24.85% is comfortably below the level at which we read an offer as an exit.

So we are buyers, and buyers with size. But we underwrite 30–35%, not 47%. The gap rests on three things: the syndicate's 2026 record of five issues with two positive listings, against a 71% lifetime hit rate; a QIB book excluding anchor that has crawled to 2.11x while every other bucket ran away, 82% of it foreign and only 6.9% domestic mutual funds; and a grey market that softened from ₹395 to ₹372 on the very day the order book quintupled, still showing a ₹35 cross-dealer spread. Any one is reason to discount the last ₹100 of premium.

This is a listing-and-momentum call, not a valuation call, and emphatically not an endorsement of the business over any longer horizon. A 0.37% margin, a promoter-group entity supplying 27% of revenue, ₹6,742 Cr of intercompany lending and a topline that moves with the gold price are not things we want on the book through a results cycle. Apply for the pop. Exit on the listing print, or trail into the T+2 to T+5 tape if the momentum holds. This is not a risk-free recommendation. A strong anchor book does not guarantee listing gains.

BHNI Guidance

Investor Category	Guidance	Allocation Approach	Exit Window
BHNI	APPLY (listing gains)	Full allocation. Place the minimum bHNI ticket of ₹10,03,124 (67 lots / 1,273 shares) across every available PAN rather than concentrating into one large bid — each PAN is a separate draw in a proportionate-allotment bucket.	Listing day; trail to T+5 only while momentum holds

BHNI-only advisory mandate covering the listing print and the immediate post-listing momentum window. No long-term or post-listing accumulation view is offered on this or any issue.

14. Standard Disclaimer

The analysis presented herein is based on publicly available information and data as of the date of publication. Investors should conduct their own due diligence before making investment decisions. Past performance is not indicative of future results. The author does not guarantee the accuracy, completeness, or timeliness of the information provided. Investment in IPOs and equity markets involves substantial risk, including the risk of loss of principal. Market conditions, company performance, regulatory changes, and macroeconomic factors can significantly impact investment outcomes.

Past performance is not indicative of future returns.