



## JINKUSHAL INDUSTRIES LIMITED (JKIPL)

### BUSINESS MODEL

- Core Business:** India's largest Non-OEM exporter of construction machinery with 6.9% market share
- Operations:** Asset-light, export-driven B2B model targeting overseas wholesale buyers and construction companies
- Global Reach:** Established subsidiaries in UAE and USA to expand global presence
- Export Focus:** ~99% of revenue derived from exports, primarily to Mexico (74% of FY25 revenue)
- Strategy:** Diversification beyond OEM reselling towards own-brand machines and refurbished products

### BUSINESS VERTICALS

#### Customized New Machines

Procured from OEMs, accessorized and customized according to client requirements before export

#### Refurbished Used Machines

Repaired and refurbished at 30,000 sq. ft Raipur facility or via third-party partners

#### HexL Own-Brand

Contract manufactured in China; launched December 2024 with potential for category expansion

#### Additional Revenue

Equipment rentals, leasing, and export incentives complement the core business model

### KEY RISK FACTORS

- Export Dependency:** 99% revenue from exports, subject to geopolitical, regulatory & currency risks
- Concentration Risk:** 75% revenue from top 5 customers; 74% from Mexico in FY25
- Working Capital Intensive:** Negative operating cash flows (-₹11 Cr in FY25) with working capital cycle increasing from 48 days to 109 days
- Unproven Brand:** HexL is new with limited market acceptance and depends on quality perception
- Supplier Dependence:** Relies on limited suppliers without formal long-term contracts

### IPO DETAILS

Price Band:	₹115 - ₹121
Fresh Issue:	₹104.54 Crore
Offer for Sale:	₹11.61 Crore
Market Cap:	₹464.42 Crore
P/E Ratio:	24.26x

IPO Dates:	Sep 25-29, 2025
Post-Issue Shares:	3,83,86,000
Listing:	NSE & BSE
Use of Proceeds:	Working Capital
Offer Type:	Book Building

\*Based on Red Herring Prospectus. Post-IPO market cap calculated at upper price band.

### FINANCIAL HIGHLIGHTS (FY23-25)

REVENUE FROM OPS.

**₹381 Cr**  
(FY25)

PAT

**₹19 Cr**  
(FY25)

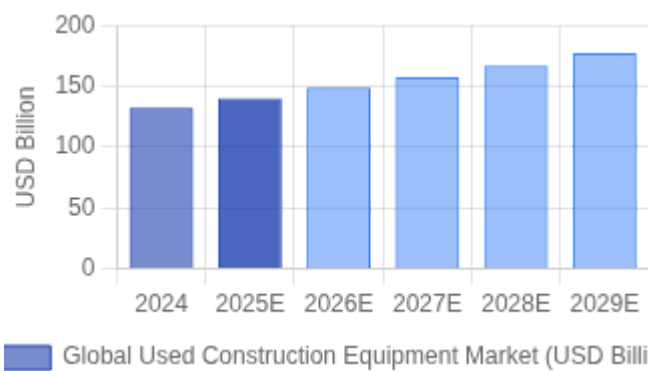
EBITDA MARGIN

**8%**  
(FY25)

# INDUSTRY ANALYSIS & MANAGEMENT TEAM

## GLOBAL CONSTRUCTION EQUIPMENT MARKET

Market Size & Growth Projection



Source: Industry Research, 2025

### KEY MARKET INSIGHTS

- Strong Growth:** Global used construction equipment market valued at USD 132.4 billion in 2024
- Steady CAGR:** Expected annual growth rate of 6.0% (2024-2029)
- Future Potential:** Market projected to reach USD 177.2 billion by 2029
- Backhoe Loader Focus:** This key product segment for JKIPL expected to grow from USD 4.44 billion (2023) to USD 7.72 billion by 2029 (9.7% CAGR)

## GROWTH DRIVERS

### Infrastructure Development

Rising global infrastructure investments driving demand for construction machinery

### Cost-Effectiveness

Growing preference for used equipment offering value with lower capital expenditure

### Rental & Leasing Growth

Expansion of rental sector creating sustained demand for affordable machinery

### Export Incentives

Government support for India's engineering exports enhancing global competitiveness

## MANAGEMENT TEAM

### KEY MANAGEMENT PERSONNEL

- SJ

**Sandhya Jain**  
Admin Head  
Associated with JKIPL since 2009. Previously Director (2009-2018). Oversees CSR, HR, compliance, and internal controls.
- TJ

**Tithi Jain**  
Research & Data Analysis Head  
Joined in 2019. B.Tech in Computer Science. Leads market research, lead generation, competitor analysis, and strategy for global B2B sales.
- YJ

**Yashasvi Jain**  
Media & Marketing Head  
With company since 2018. Bachelor of Architecture. 7 years experience in digital marketing and warehouse management.

### INDUSTRY POSITIONING

JKIPL has established itself as India's largest non-OEM exporter of construction machinery with strategic market positioning.

6.9%	3	2	2024
Market Share	Business Verticals	Global Subsidiaries	HexL Brand Launch

### GLOBAL PRESENCE

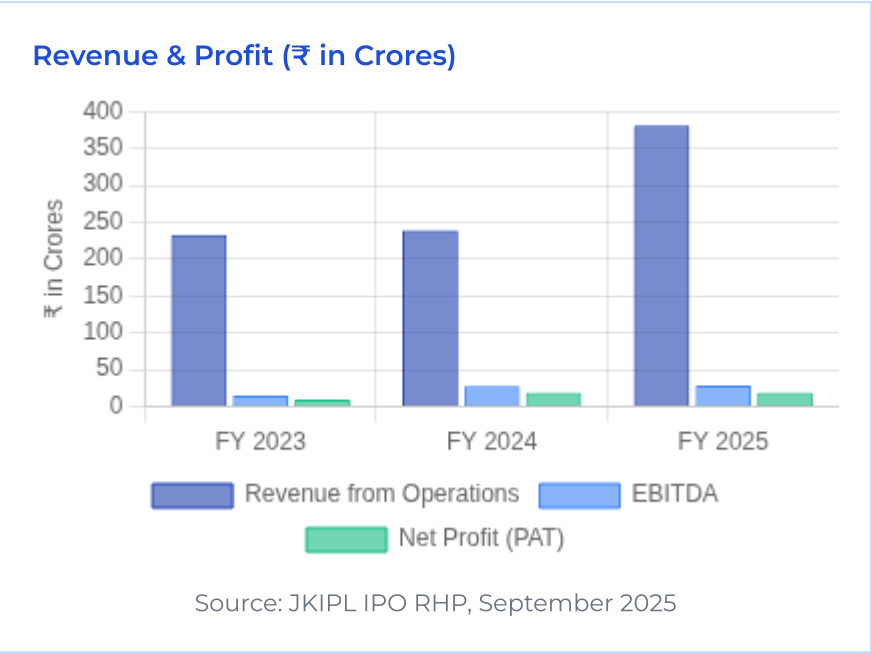
- UAE Subsidiary
- USA Subsidiary
- Primary Export Market: Mexico (74% of revenue)

### BUSINESS VERTICALS

- Customized New Machines
- Refurbished Used Machines
- HexL Own-Brand (Launched Dec 2024)

# FINANCIAL PERFORMANCE

## 3-YEAR FINANCIAL SNAPSHOT



## KEY METRICS

EBITDA MARGINS

6.00%  
(FY23)

12.00%  
(FY24)

8.00%  
(FY25)

KEY PERFORMANCE INDICATORS

ROCE (FY25)

18.40%

Debt-to-Equity (FY25)

0.58

Revenue Growth (YoY)

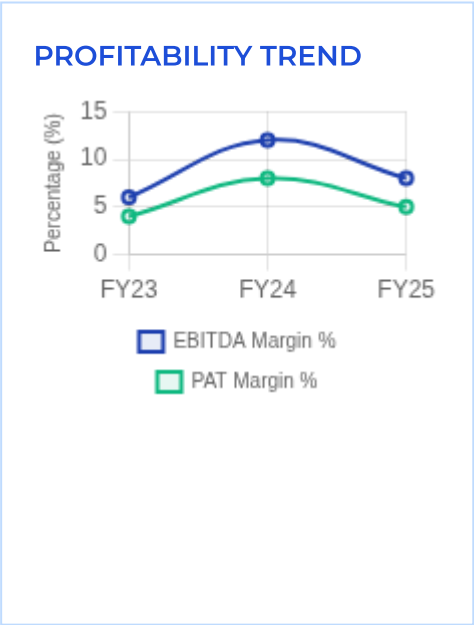
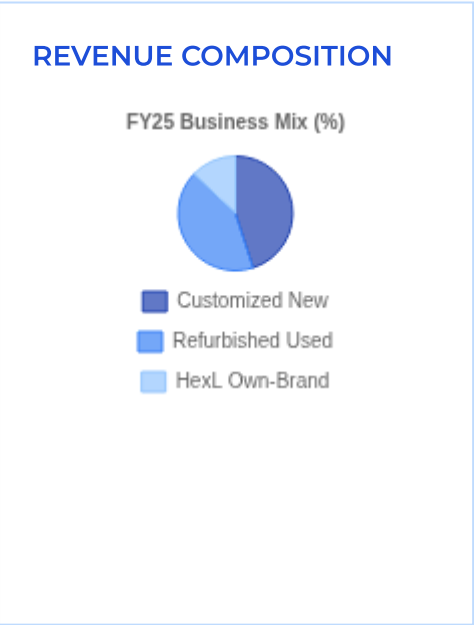
59.50%

Working Capital Cycle

109 days

## DETAILED FINANCIAL PERFORMANCE (₹ IN CRORES)

Particulars	FY23	FY24	FY25
Revenue from Operations	233	239	381
EBITDA	15	28	29
EBITDA Margin (%)	6.00%	12.00%	8.00%
PAT	10	19	19
PAT Margin (%)	4.00%	8.00%	5.00%
ROCE (%)	34.00%	29.00%	18.00%
Operating Cash Flow	11	-24	-11



- FINANCIAL HIGHLIGHTS
- Strong revenue growth (59.5% YoY) in FY25
  - Margins declined from 12% to 8% in FY25
  - ROCE declining trend (34% → 18%)
  - Improved debt-to-equity ratio (1.06 → 0.58)
  - Negative operating cash flows highlight working capital stress

# GROWTH STRATEGY & VALUATION ANALYSIS

## GROWTH FACTORS

### Competitive Strengths

- 01

**Market Leadership**  
India's largest Non-OEM exporter of construction machinery with a 6.9% market share
- 02

**Diversified Product Portfolio**  
Well-balanced mix of customized new machines, refurbished used equipment, and own-brand HexL products
- 03

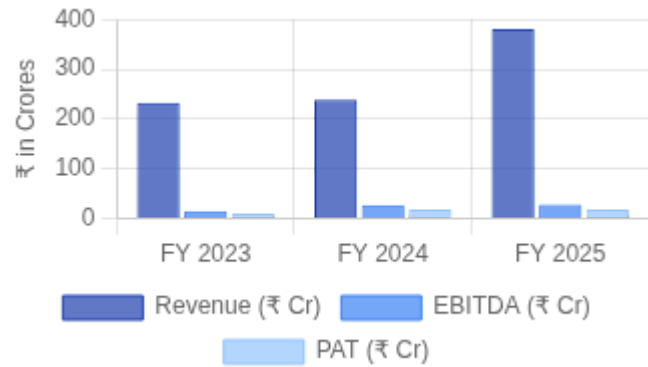
**Global Network**  
Strategic presence through subsidiaries in UAE and USA to efficiently tap key international markets
- 04

**Favorable Industry Trends**  
Global shift towards cost-effective used equipment and rising infrastructure investments worldwide

### FUTURE GROWTH STRATEGY

- Vertical Diversification:** Expand beyond OEM reselling to higher-margin segments including refurbished machines
- HexL Brand Development:** Scale recently launched HexL brand across new machinery categories and electric equipment
- Geographic Expansion:** Strengthen UAE and USA subsidiaries to reduce concentration risk and tap new markets
- Used Equipment Focus:** Capitalize on growing demand for cost-effective refurbished construction equipment
- Working Capital Optimization:** Improve inventory management and receivables cycle to enhance cash flows

### FINANCIAL GROWTH TRAJECTORY



Source: JKIPL RHP, FY2022-25 Data

## RISK FACTORS

### Key Business Risks

- HIGH

**Export Dependency**  
~99% of revenue comes from exports, exposing the company to geopolitical, regulatory, and currency risks
- HIGH

**Geographic Concentration**  
74% of FY25 revenue came from Mexico, creating significant dependence on a single market
- HIGH

**Customer Concentration**  
Top 5 customers contributed 75% of FY25 revenue, creating vulnerability to client loss
- MED

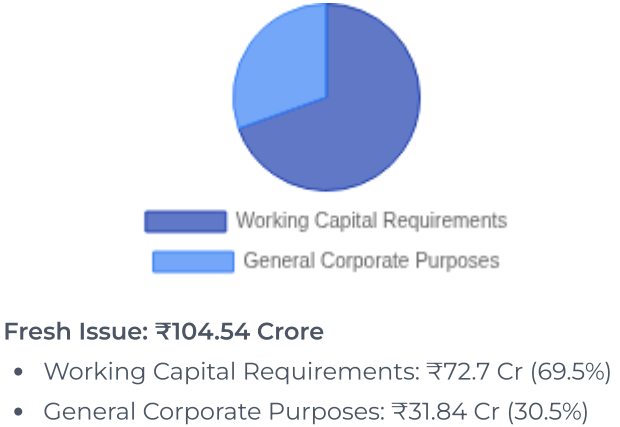
**Working Capital Intensive**  
Cycle worsened from 48 days (FY24) to 109 days (FY25), projected to reach 150 days
- MED

**Unproven Own Brand**  
HexL brand launched December 2024 with limited track record and market acceptance

### VALUATION INSIGHTS

- Pricing:** IPO price band of ₹115 to ₹121 per share
- Market Cap:** ₹464.42 Crores at upper price band
- P/E Ratio:** 24.26x based on FY25 earnings
- Peer Comparison:** Trades at discount to major OEMs like ACE (32.2x) but at premium to smaller peers like Vision Infra (19.4x)
- Valuation Premium:** Justified by market leadership position and diversified product portfolio, but moderated by concentration risks

### USE OF PROCEEDS





# IPO OBJECTS, PEER COMPARISON & INVESTMENT VIEW

## USE OF PROCEEDS

### 1 Working Capital

₹72.7 Crore

For addressing increasing working capital requirements due to expanding business operations

### 2 General Corporate

Remainder

For strategic initiatives, maintaining operational efficiency, and meeting unforeseen contingencies

## VALUATION INSIGHTS

Based on the IPO price band of ₹115-121 per share:

**₹464.42 Cr**  
Market Cap

**24.26x**  
P/E Ratio

**₹116.15 Cr**  
Total Offer Size

## PEER COMPARISON

Company	Revenue (₹ Cr)	PAT Margin	ROCE	Market Cap (₹ Cr)	P/E Ratio
ACE	3,327	12.30%	40.10%	13,636	32.2x
Vision Infra	443	7.70%	19.60%	603	19.4x
JKIPL	3,806	5.00%	18.40%	464	24.3x

Data as of latest available financials. JKIPL figures for FY2025.

## INVESTMENT VIEW

### INVESTMENT POSITIVES

- Market leadership (6.9% share as largest non-OEM exporter)
- Diversified product portfolio (new, used, own-brand)
- Strategic global presence (UAE & USA subsidiaries)
- Strong revenue growth (59.5% YoY in FY25)
- HexL brand expansion opportunities
- Favorable industry trends and infrastructure spending
- Asset-light business model

### INVESTMENT CONCERNS

- High export dependency (~99% of revenue)
- Customer concentration (Top 5 = 75% of FY25 revenue)
- Geographic concentration (Mexico = 74% of revenue)
- Negative operating cash flows (₹-11 Cr in FY25)
- Working capital intensive (cycle expanding to 150 days)
- Unproven HexL brand with limited market acceptance
- Limited supplier agreements without long-term contracts

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