IPO REVIEW

Augmont Enterprises IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 20 August 2026

- The company is an integrated gold and silver platform in India serving businesses and consumers.
- It has presence across 24 states and offering all services under one roof for gold and silver value chains.
- AEL is one of the few companies in India with a presence across both, online and offline channels for the purchase of gold and silver.
- The company marked steady growth in its top and bottom lines for the reported periods.
- Based on its recent financial data, the issue appears fully priced.
- Well-informed investors can park funds for medium to long term rewards.

About the Company

Augmont Enterprises Ltd. (AEL) is an integrated gold and silver platform in India serving businesses and consumers, with a presence across 24 states, as of March 31, 2026. Its operations span across multiple segments of the gold and silver value chain including procurement and refining, bullion trading, digital gold offerings, jewellery manufacturing, international sales and facilitating gold-backed financial services. It has been recognised as India’s ‘Number 1 Gold Platform of the year 2024-2025’ by the India Gold Conference. (Source: Technopak Report)

AEL is one of the few companies in India with a presence across both, online and offline channels for the purchase of gold and silver. (Source: Technopak Report) It operates in two business verticals through distinct online platforms, which are complemented by its physical distribution network: (i) enterprise sales (through its ‘Augmont SPOT’ platform) and international sales; and (ii) consumer-focused offerings, delivered through its ‘Augmont Gold For All’ platform and offline channels.

The company conducts its enterprise sales business through ‘Augmont SPOT’ platform, which is a fully electronic, over-the-counter delivery-based bullion platform that became operational in 2012. This platform enables businesses such as jewellers, bullion dealers and manufacturers with valid GST registrations to purchase gold and silver bars online with assured physical delivery at its spot delivery centres. It also enables users to benefit from real-time price discovery and competitive rates, while allowing them to place orders for delivery through 20 spot delivery centers across 13 states in India, as of March 31, 2026. Of these, nine spot delivery centers are operated directly by AEL, while 11 are operated through franchisees. Deliveries are typically fulfilled within two working days of an order being placed on the platform. It is also involved in the sale of gold bullion to asset management companies in exchange for units of gold exchange traded funds (“ETF”) and trade in gold and silver

ETF units.

Augmont SPOT has lion share in its total revenue, followed by Silver and other offerings/services. Over the years, it has developed and implemented a technology-based price discovery mechanism for the gold and silver products that are sold on its 'Augmont SPOT' platform. This mechanism enables real-time access to market-linked spot prices and supports transparent, competitive pricing for its products. AEL manufactures and sells gold jewellery articles, primarily chains, to jewellery traders based on orders placed with it. Its international sales contributed around 6% in its revenue for FY26.

The company manufactures products at its unit located in Sitapur SEZ, Jaipur, Rajasthan, which has an installed capacity of 13.80 MTPA as of March 31, 2026, and sells them in international markets such as Hong Kong, Turkey and the UAE. Further, for its refining operations, it has two gold and silver refining units, in Rudrapur, Uttarakhand and Mumbai, Maharashtra, as of March 31, 2026. As of the said date, it had 296 employees on its payroll and 1 contractual employee.

Promoters and Promoters Group

Mr. Mahendra Kumar Nemichand Bafna: Managing Director

Ketan Bhawarlal Kothari, Mohinidevi Bhawarlal Kothari, Kalawati Prithviraj Kothari, Namita Ketan Kothari, Devkumari Manekchand Kothari, Manakchand Saremal Kothari, Vivek Prithviraj Kothari, Dimple Mukesh Kothari and Dimpal Vivek Kothari: Promoter and Wholetime Director

Issue Details / Capital History

The company is coming out with its maiden book building route combo IPO worth Rs. 825 cr. (approx. 10469543 equity shares at the upper cap). The IPO comprises of equity shares worth Rs. 620.00 cr. (approx. 7868020 equity shares at the upper cap), and an Offer for Sale (OFS) worth Rs. 205 cr. (approx. 2601523 equity shares at the upper cap). The company has announced a price band of Rs. 750 – Rs. 788 per equity shares of Rs. 5 each. The issue opens for subscription on August 21, 2026, and will close on August 25, 2026. The minimum application to be made is for 19 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 11.46% of the post-IPO paid-up equity capital. From the net proceeds of the fresh equity issue, the company will utilize Rs. 465.00 cr. for capex for funding inventory, advance margins and related expenses, and the rest for general corporate purposes.

The company has reserved equity shares worth Rs. 4.00 cr. (approx. 50761 equity shares at the upper cap) for its eligible employees and from the rest, it has allocated not more than 50% for QIBs, not less than 35% for Retail and not less than 15% for HNI investors.

The four joint Book Running Lead Managers (BRLMs) to this issue are Nuvama Wealth Management Ltd., Intensive Fiscal Services Pvt. Ltd., JM Financial Ltd., and Motilal Oswal Investment Advisors Ltd., while MUFG Intime India Pvt. Ltd. is the registrar to the issue. JM Financial Services Ltd., Motilal Oswal

Financial Services Ltd., and Nuvama Wealth Management Ltd. are syndicate members.

After issuing initial equity shares at par value, the company has issued/converted further equity shares at a price of Rs. 678.51 per share (on the basis of Rs. 5 FV) inn August 2025, and has also issued bonus shares in the ratio of 8 for 1 in June 2025. The average cost of acquisition of shares by the promoters/selling stakeholders is Rs. 0.00, and Rs. 1.86 per share.

Post-IPO, its current paid-up equity capital of Rs. 41.75 cr. will stand enhanced to Rs. 45.69 cr. Based on the upper cap of the price band, the company is looking for a market cap of Rs. 7200.23 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has (on a consolidated basis) posted a total income/net profit, of Rs. 34948.90 cr. / Rs. 75.97 cr. (FY24), Rs. 66252.05 cr. / Rs. 227.19 cr. (FY25), and Rs. 94282.47 cr. / Rs. 348.30 cr. (FY26). The company posted steady growth in its top and bottom lines for the reported periods. Its contingent liability stood at Rs. 15.06 cr. as of March 31, 2026.

According to the management, it has created a niche platform for gold and silver trades for the jewellers, customers, retail investors and is gaining ground with its credentials and the fully transparent platform provides safety as well as authentic, original and hallmarked products. With the rising gold and silver prices, its top and bottom lines surged in line with the general trends for the segment. The management is confident of maintaining the trends set for FY25 and FY26.

For the last three fiscals, the company has posted an average EPS of Rs. 30.70 and an average RoNW of 55.25 %. The issue is priced at a P/BV of 7.10 based on its NAV of Rs. 111.00as of March 31, 2026, and at a P/BV of 4.65 based on its post-IPO NAV of Rs. 169.29 per share at the upper cap.

If we attribute FY26 super earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 20.67. Based on FY25 earnings, the P/E stands at 31.70. The issue appears fully priced based on its recent average performance.

For the reported periods, the company has reported PAT Margins of 0.22% (FY24), 0.34% (FY25), 0.37% (FY26), and RoCE margins of 49.27%, 70.10%, 40.27%, respectively for the referred periods.

Dividend Policy

The company has not paid any dividends for the periods reported in the offer document. It has already adopted a dividend policy in June 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has no listed peers to compare with.

Merchant Banker's Track Record

The four BRLMs associated with this issue has handled 93 IPOs in the last three fiscals out of which 31 issues closed below the issue price on the listing date.

Conclusion / Investment Strategy

AEL is an integrated gold and silver platform in India serving businesses and consumers. It has presence across 24 states and offering all services under one roof for gold and silver value chains. AEL is one of the few companies in India with a presence across both, online and offline channels for the purchase of gold and silver. The company marked steady growth in its top and bottom lines for the reported periods. Based on its recent financial data, the issue appears fully priced. Well-informed investors can park funds for medium to long term rewards.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

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