IPO Report

SME IPO

Sham Foam Limited

Consumer Discretionary

Price Band: ₹130 per share
Bidding: 11 Aug to 13 Aug, 2026
Listing At: BSE SME
Listing Date: Aug 18, 2026

Details of the Issue

Lead Manager	Corporate Makers Capital Ltd.
Registrar	Alankit Assignments Ltd.
Market Maker	JSK Securities & Services Pvt. Ltd.

Promoters Holding (%)

Pre-Issue	100.00
Post-Issue	72.90

Offer Structure

Market Maker	1,56,000 shares
Retail	14,79,000 shares
NII	14,79,000 shares
Fresh Issue	31,14,000 shares
Total Issue	₹40.48 Cr

Financial Summary (₹ in Lakhs)

Particular	FY26	FY25	FY24
Revenue	9,231.92	8,114.82	7,372.86
EBITDA	1,099.87	469.17	443.00
PAT	865.06	358.19	296.64

Minimum Application

Category	Lots	Shares	Amount
Retail	2	2,000	₹2,60,000
HNI	3	3,000	₹3,90,000

Customer concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 1 customer	2.89	4.44	5.31
Top 5 customers	13.08	17.46	18.97
Top 10 customers	25.06	26.83	28.02

Valuations

NAV(FY'26)	25.21
EPS(FY'26)	10.33
P/E(Pre Issue)	12.58

Promoters

Rajinder Kumar Jindal, Sanjeev Kumar Jindal, Monica Jindal, Deepika Jindal, Abhinav Jindal, Kunal Jindal and Charming Fashions Pvt. Ltd.

Company Overview

Incorporated in 2020, Sham Foam Limited manufactures and markets PU foam, mattresses, pillows, cushions, and allied home comfort products, along with industrial-grade foam for furniture, apparel, sports goods, and automotive applications. Its mattresses are marketed under the Featherfresh and Restivia brands, with customized foam and hybrid solutions tailored to customer requirements.

Object of the Issue

- To finance the Capital expenditure requirements for civil construction and purchase of Machineries and Equipments for existing manufacturing facility: Upto ₹1,471.65 lakhs
- To part finance the requirement of Working Capital: Upto ₹1,425.00 lakhs
- General Corporate Purpose: Upto ₹603.85 lakhs

Price Band Analysis

At the upper price band of ₹130, Sham Foam Limited is valued at a post-issue P/E of 17.27x and P/B of 5.16x, reflecting a fair valuation. The Indian home comfort and PU foam industry is supported by rising disposable incomes, increasing demand for mattresses and furniture, premiumisation, urbanisation, and replacement demand.

Peer Comparison (as of FY26)

CompanyName	EPS (₹)	P/E	RONW (%)	NAV (₹)
Sham Foam Ltd.	10.33	12.58	40.97	25.21
Sheela Foam Ltd.	11.96	64.50	4.48	266.69
Wakefit Innovations Ltd.	6.03	21.22	22.90	343.00

Risk Measures:

- The company and its Promoters are involved in ongoing litigation, including a civil case filed by M/s. Sheela Foam Limited concerning trademark-related matters, which could result in financial, operational, or reputational risks if adversely resolved.
- The company has significant geographic concentration, with all manufacturing operations located in Haryana and major domestic sales concentrated across Delhi, Haryana, Punjab, and Uttar Pradesh.

Investment Rationale:

- Revenue from operations increased from ₹8,114.82 lakhs in FY25 to ₹9,231.92 lakhs in FY26, while PAT rose from ₹358.19 lakhs to ₹865.06 lakhs, supported by improved operating efficiency, lower material costs, and changes in inventory level.
- Beyond home comfort products, the company manufactures technical PU foam for diverse industries including automotive, footwear, garments, innerwear, sound absorption, and filtration, supporting a broader addressable market and diversified revenue base.
- The trade receivable cycle has increased from 79 days in FY24 to 93 days in FY26, with receivables reaching ₹2,539.70 lakhs, equivalent to 27.51% of FY26 revenue, indicating higher working capital intensity and collection risk.
- The company maintains an inventory holding period of approximately 44 days, with inventory valued at ₹949.81 lakhs as of March 2026. Inaccurate demand forecasting could result in excess inventory, higher storage costs, and increased working capital requirements.

Financials (₹ in Lakhs, Except for Percentage & Ratios)

Particular	FY26	FY25	FY24
Revenue From Operations	9,231.92	8,114.82	7,372.86
EBITDA	1,099.87	469.17	443.00
EBITDA Margin (%)	11.91	5.78	6.01
PAT	865.06	358.19	296.64
PAT Margin (%)	9.37	4.41	4.02
Return on Equity (RoE%)	51.53	33.56	56.03
Return on Capital Employed (RoCE%)	45.73	22.56	23.79
EPS	10.33	4.28	3.57

Revenue Bifurcation (₹ in Lakhs)

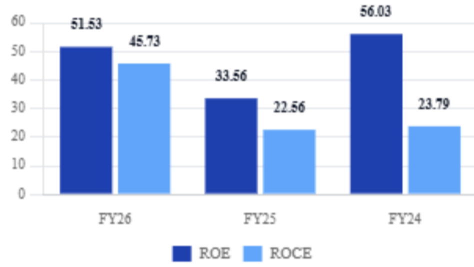
Particulars	FY26	FY25	FY24
Sale of Goods	9,231.92	8,114.82	7,372.86
Total	**9,231.92**	**8,114.82**	**7,372.86**

About The Founder

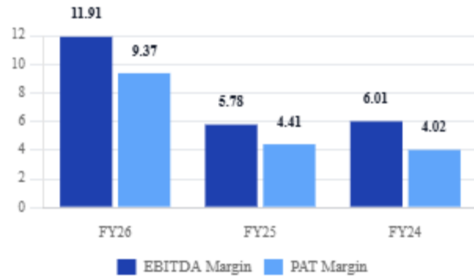
Rajinder Kumar Jindal is the Promoter, Managing Director, and Chairperson of the company. He has completed his Matriculation and brings over 25 years of experience in the home comfort and foam industry. His industry expertise and leadership have played a key role in the company's sustained operational growth.

FINANCIAL HIGHLIGHTS

Return Ratios



EBITDA and PAT Margin



Key Ratios: