Aastha Spintex Limited

25th June, 2026

IPO Details

IPO Date	29th Jun to 1st Jul, 2026
Face Value	₹10 per share
Price Band	₹125 to ₹136
Lot Size	110 Shares
Sale Type	Fresh capital only
Total Issue Size	1,25,00,000 shares (agg. up to ₹170 Cr)
Fresh Issue	1,25,00,000 shares (agg. up to ₹170 Cr)
Issue Type	Book building IPO
Listing At	BSE, NSE
Shareholding pre issue	3,16,42,190 shares
Share Holding Post Issue	4,41,42,190 shares
QIB Shares Offered	Not more than 20% of the Net Issue
Retail Shares Offered	Not less than 40% of the Net Issue
NII (HNI) Shares Offered	Not less than 40% of the Net Issue
Retail (Min & Max) shares	110 Shares & 1,430 shares
Retail (Min & Max) application amount	₹14,960 & ₹1,94,480
S-HNI (Min shares & application amount)	1,540 shares & ₹2,09,440
S-HNI (Max shares & application amount)	7,260 shares & ₹9,87,360
B-HNI (Min shares & application amount)	7,370 shares & ₹10,02,320
Basis of Allotment	Thu, Jul 2, 2026
Initiation of Refunds	Fri, Jul 3, 2026
Credit of Shares to Demat	Fri, Jul 3, 2026
Listing Date	Mon, Jul 6, 2026
Cut-off time for UPI mandate confirmation	5 PM on Wed, Jul 1, 2026
Promoters	Patel Divyang Jashwantbhai, Rasiklal Valjibhai Patel, Gothi Vivek Rasiklal, and Jashwantbhai Valjibhai Patel.
Registrar	Bigshare Services Pvt.Ltd.

Note 1: Application made using third party UPI or ASBA A/C is liable to be rejected. For apply please click on the Link https://ipo.adroitfinancial.com/ for any kind of assistance please contact to their helpdesk team at 0120-6826800 or mail us on ipo@adroitfinancial.com

Company Profile

Aastha Spintex is engaged in the business of manufacturing and trading of carded, combed and compact combed cotton yarns and cotton bales. Their cotton bales are utilized both for captive production of cotton yarns and for supply to other spinning units and the cotton yarns produced are used in both knitting and weaving applications, catering to a wide spectrum of end-use segments and products including denim, terry towels, shirting, sheeting, sweaters, socks, bottom wear, home textiles, and industrial fabrics. They have a semi-automated and integrated spinning and ginning Manufacturing Facility situated at Halvad, Morbi, Gujarat. They produce 100% cotton yarns in counts ranging from Ne 26 to Ne 40 which includes carded, combed and combed compact varieties

The company operates exclusively in the business-to-business (B2B) segment, supplying their products to buyers such as textile manufacturers, yarn exporters, bulk purchasers and fabric processors (collectively Customers). They primarily sell their products in the domestic market. Their sales within the state of Gujarat are undertaken directly by the Company, whereas the majority of their cotton yarn sales to Customers located outside the state of Gujarat are facilitated through a reseller arrangement with 7 Seas Impex.

Objects of the Issue

- ❑ Part payment of the purchase consideration for the acquisition of Falcon Yarns Private Limited- ₹111.51Cr
- ❑ Inter-Corporate deposits for funding working capital requirement of Falcon Yarns Private Limited- ₹10 Cr
- ❑ General Corporate Purposes - ₹48.49 Cr

Financial Details

***** Proforma Statement***

Particulars (Amount in Crores)	31-Dec-25**	31-Mar-25	31-Mar-24	31-Mar-23
Revenue from Operations	477.2	351.2	304.9	239.3
Other income	8.2	1.0	0.8	0.4
Total Income	**485.4**	**352.2**	**305.7**	**239.7**
Expenses				
- Cost of Material Consumed	407.0	302.0	218.9	194.5
- Purchase of Stock in Trade	20.2	15.7	37.5	8.9
- Changes in the inventories of Finished Goods, Stock in Trade and Work in Progress	(31.5)	(38.4)	(12.9)	(5.0)
- Manufacturing Expenses	8.0	10.3	14.0	16.7
- Employee benefit expenses	12.9	8.1	7.3	7.5
- Other expenses	20.1	3.7	2.9	2.6
Total expenses	**436.7**	**301.3**	**267.6**	**225.2**
EBITDA	**40.6**	**49.9**	**37.2**	**14.1**
EBITDA Margin (%)	**8.5%**	**14.2%**	**12.2%**	**5.9%**
- Finance cost	9.1	10.7	10.5	7.4
- Depreciation and amortization	12.1	8.1	6.3	5.8
Profit/(Loss) before tax	**27.6**	**32.1**	**21.3**	**1.3**
Tax expense/(credit)	6.6	9.2	4.9	0.2
Profit/(Loss) After Tax	**21.0**	**23.0**	**16.3**	**1.1**
PAT Margin (%)	**4.32%**	**6.52%**	**5.34%**	**0.45%**
Basic EPS (in Rs.)	**5.8**	**8.3**	**6.0**	**0.4**

Key Metrics	31-Dec-25	31-Mar-25	31-Mar-24	31-Mar-23
Return on Equity (in %, Annualized)	**16.13**	**23.21**	**23.88**	**1.78**
Debt to Equity	**0.84**	**0.79**	**1.08**	**1.35**
Working Capital Turnover Ratio	**4.41**	**6.45**	**12.29**	**12.14**
Fixed Assets Turnover Ratio	**3.49**	**4.17**	**3.79**	**3.68**
Utilization Rate (in %)				
Spinning Division	**75.52%**	**82.48%**	**79.38%**	**71.09%**
Ginning Division	**85.29%**	**96.57%**	**95.60%**	**95.89%**

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Competitive Strengths

- **Expansion Through Acquisitions & Core Growth :** The company intends to pursue a balanced growth strategy through strategic acquisitions and organic expansion. Their acquisition approach focuses on enhancing capabilities, integrating the value chain, diversifying products and reducing business concentration risks. The proposed acquisition, along with increased manufacturing capacity, strong order-book visibility and a wider customer base, is expected to drive future growth, operational efficiency and market positioning.

- **Long-term Customer Partnerships:** The company sells their products to their customers directly in the state of Gujarat and through their reseller for sales outside the state of Gujarat and International exports. A key factor that sets the company apart from competitors is their customer-centric approach, focusing on delivering products that align precisely with customer specifications. This commitment to customization and quality has not only supported the growth of the business but also strengthened their market presence and reputation within the industry.

- **Strategically Located Manufacturing Facility:** The company's manufacturing facility is strategically located at Halvad, Morbi, Gujarat, one of the major cotton-growing regions, enabling access to a strong network of raw material suppliers, logistics providers and skilled workforce. The facility spans approximately 65,272 sq. m of land, with a built-up area of 30,397 sq. m and around 35,364.89 sq. m of vacant land available for future expansion. As of March 31, 2025, the facility has an installed capacity of 7,700 MT per annum, with significant scope to scale operations further.

- **Sustainable Energy Infrastructure:** The company has made investments in renewable energy infrastructure, enabling them to operate their manufacturing activities with minimal reliance on conventional grid electricity. As part of their long-term commitment to environmental sustainability, energy self-reliance, and operational efficiency, they have successfully commissioned and currently operate a 1 MW rooftop solar power unit, a 4 MW ground-mounted solar power plant, and a 2.7 MW wind power plant. These facilities collectively power a significant portion of their manufacturing operations and meet around 80 % of total power requirement of the plant, allowing them to meet the majority of their captive energy requirements through clean, renewable sources.

Key Risk Factors

- **Regulatory Non-Compliance Risks:** The Company is required to comply with various provisions of the Companies Act, 2013 and applicable rules. In the past, certain statutory compliance lapses occurred relating to uniform call on shares, appointment of directors, appointment of whole-time company secretary and CSR provisions. The Company has filed adjudication and compounding applications with the Registrar of Companies in respect of these matters. While no penalties have been imposed as of date, there remains a possibility of fines, penalties or other regulatory actions by the relevant authorities.

- **Non-Compliance with Internal Auditor Appointment Requirements:** During FY22 to FY24, the company did not appoint an internal auditor as required under Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, upon meeting the prescribed thresholds in relation to turnover and borrowings. Such non-compliance occurred due to an inadvertent oversight. The company has since rectified this lapse by appointing Zapda & Associates as its internal auditor for Financial Year 2023–24. While no regulatory action or penalty has been imposed on the Company to date in relation to such noncompliance, there can be no assurance that no regulatory action or penalty will be initiated or levied in the future.

- **Dependence on Single Manufacturing Facility:** The company operates through their semi-automated and integrated ginning and spinning manufacturing facility located at Halvad, Morbi, Gujarat. Their manufacturing facility is central to their operations, and any disruption may have a direct adverse impact on their ability to procure cotton bales, produce yarn, and deliver products to the customers on time. Although the company has not experienced any material disruption at their manufacturing facility in last three Fiscals, the company cannot assure you that such events will not occur in the future. Any prolonged or repeated disruption at their manufacturing facility may materially and adversely affect their business, revenues, results of operations, cash flows, and overall financial condition.

- **Dependence on Limited Raw Material Suppliers:** Raw cotton and cotton bales are the principal raw material used in the company's manufacturing operations and constitute the single largest component of their production costs. They are dependent on a limited number of suppliers for procurement of raw cotton and cotton bales, their principal raw material, and any disruption in supply or adverse movement in cotton prices may materially affect their business, results of operations and financial condition.

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Comparison with Listed Peers

Name of the Companies	Market Price	Face Value (per Share)	P/E Ratio	EPS (Basic)	EPS (Diluted)	RoNW (%)	NAV (per Share)
Aastha Spintex Limited	NA	10	25.66	5.30	5.30	20.07%	43.8
Peers:							
Ambika Cotton Mills Limited	1759	10	14.86	114.83	114.83	7.27%	1579.25
Lagnam Spintex Limited	82.4	5	17	7.28	7.28	10.64%	68.41
Pashupati Cotspin Limited	87.4	2	2.1	0.82	0.82	8.35%	9.78

*P/E calculated based on upper band price.
**EPS calculated including fresh issue shares.

Summary

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US$ 2.3 billion (INR 21,620 Crore) by 2030. India ranks among the top five global exporters in several textile categories, with exports expected to reach US$ 100 billion (INR 9.4 Lakh Crore). The textiles and apparel industry contributes approximately 2% of India's GDP and about 11% of manufacturing GVA (Gross Value Added) as of February 2026. The textile industry in India is predicted to double its contribution to the GDP to approximately 5% by the end of this decade.

Incorporated in 2013, Aastha Spintex is engaged in the business of manufacturing and trading of carded, combed and compact combed cotton yarns and cotton bales. The company's cotton bales are utilized both for captive production of cotton yarns and for supply to other spinning units and the cotton yarns produced are used in both knitting and weaving applications, catering to a wide spectrum of end-use segments and products, including denim, terry towels, shirting, sheeting, sweaters, socks, bottom wear, home textiles, and industrial fabrics. The company have a semi-automated and integrated spinning and ginning Manufacturing Facility situated at Halvad, Morbi, Gujarat.

The IPO proceeds will be utilized towards the payment of acquisition consideration and funding the working capital requirements of Falcon Yarn Private Limited, supporting the company's expansion plans. However, the company's growth prospects appear limited as the existing capacity utilization is already high, while the acquisition is yet to be completed and remains subject to execution risks. Additionally, the valuation appears to have already factored in the expected benefits from the acquisition, leaving limited upside potential. The company also remains exposed to risks related to its single manufacturing facility, limited supplier base, and geographical concentration of revenue towards Gujarat.

Therefore, it is recommended to **"Avoid"** the IPO considering the company's concentration risks, operational dependencies, and premium valuation compared to peers.

DISCLAIMER

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