IPO Report

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Aritas Vinyl Limited

Consumer Discretionary

Price Band: ₹40 to ₹47 per share
Bidding: Jan 16 to Jan 20, 2026
Listing At: BSE SME
Listing Date: Jan 23, 2026

ESG Rating: Not Rated

ESG Initiatives

- Company has not disclosed ESG related activities

Details of the Issue

Lead Manager	Interactive Financial Services Ltd.
Market Maker	Giriraj Stock Broking Pvt. Ltd.
Registrar	Bigshare Services Pvt. Ltd.

Promoter Holding

Pre-Issue	47.22%
Post-Issue	27.99%

Offer Structure

Market Maker	4,02,000 shares
QIB	78,000 shares
Retail	45,12,000 shares
NII	29,91,000 shares
Fresh Issue	69,98,600 shares
Offer For Sale	9,84,400 shares
Total Issue	₹37.52 Cr

Financial Summary (₹ in Lakhs)

Particular	FY25	FY24
Revenue	9,767.32	6,878.00
EBITDA	863.20	465.19
PAT	413.26	166.50

Minimum Application

Category	Lots	Shares	Amount
Retail	2	6,000	₹ 282,000
S-HNI	3-7	9,000-21,000	₹4,23,000-₹9,87,000
B-HNI	8	24,000	₹ 1,128,000

Valuations

NAV(FY25)	15.97
EPS(Pre Issue)	3.77
P/E(Pre Issue)	12.47

Promoters

Mr. Anilkumar Prakashchandra Agrawal, Mr. Sanjaykumar Kantilal Patel, Mr. Ankit Anilbhai Agrawal, Mr. Mohit Ashokkumar Agrawal, Mr. Rohit Dineshbhai Agrawal, Mr. Rutvik Patel, and Mr. Shubham Sunilbhai Agrawal

Company Overview

Incorporated in 2020, Aritas Vinyl Limited manufactures and trades artificial leather, including PU synthetic leather and PVC-coated vinyl, using Transfer Coating Technology. The company serves automotive, fashion, and interior design industries, supplying to domestic clients and export markets such as the UAE, USA, and Europe. Its Ahmedabad-based facility spans about 6,067 sq. meters with an annual capacity of 7.8 million sq. meters, supporting a wide range of upholstery, fashion accessory, and interior applications.

Object of the Issue

- Capital Expenditure for Solar Power Project: ₹425.61 Lakhs
- Working Capital : 2,045.00 Lakhs
- General corporate purposes

Price Band Analysis

At the upper price band of ₹47, Aritas Vinyl Limited is valued at a post-issue P/E of 22.39x and a P/B of 2.94x, implying a moderate valuation. The company operates in the synthetic leather and technical textiles segment, supported by demand from automotive, fashion, and interior applications. Compared to peers, the valuation appears reasonable to slightly higher, factoring in modern manufacturing capabilities and export exposure, with returns dependent on margin stability and raw material cost management.

Peer Comparison

Company Name	EPS (₹)	NAV (₹)	P/E	RONW (%)
Aritas Vinly Limited	3.77	15.97	12.47	20.36
Mirza International Limited	0.93	33.56	39.71	-0.86
Amin Tannery Limited	0.03	1.19	58.67	2.27

Risk Measures:

- A significant portion of the Company's operating revenue is consumed by raw material costs. The absence of long-term supply contracts and reliance on order-based procurement expose the Company to fluctuations in availability and prices. Any sharp increase in raw material costs or supply disruptions that cannot be passed on to customers may adversely impact profitability and operating margins.
- The Company's operations are working capital intensive and require substantial funding to support day-to-day activities. As of August 31, 2025, total working capital borrowings stood at ₹2,422.29 lakhs, reflecting reliance on bank financing and internal accruals. Any limitations in accessing such funding or adverse changes in credit terms could adversely affect liquidity, operations, and future growth.

Investment Rationale:

- The company has demonstrated a strong growth trajectory, with revenue from operations increasing from ₹5,118.17 lakhs in FY23 to ₹9,767.32 lakhs in FY25. This growth is matched by a significant rise in Profit After Tax (PAT), which climbed from ₹99.49 lakhs to ₹413.26 lakhs during the same period. Furthermore, the company reported a healthy Return on Equity (ROE) of 31.23% and EBITDA margins increasing from 6.02% in FY23 to 8.81% in FY25.
- Within a span of just three years, the company successfully nearly doubled its installed manufacturing capacity from 4.2 million meters to 7.8 million meters per year. This rapid infrastructure expansion indicates a proactive management approach to capturing the growing demand in the technical textiles market. The company utilizes advanced Transfer Coating Technology to produce high-quality synthetic leather that serves diverse industries including automotive, footwear, and luxury furniture.
- In addition to a predominantly domestic revenue base, the company has built a meaningful export presence across markets such as the UAE, USA, Oman, and Greece, which provides diversification benefits and reduces dependence on any single geography. Further, a key object of the issue is the installation of a solar power project with an investment of ₹425.61 lakhs. Given that power costs form a recurring operating expense, this initiative is expected to lower long-term energy expenses, enhance cost efficiency, and support sustainable margin expansion over the medium to long term.

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

Particular	FY23	FY24	FY25
Revenue From Operations	5,118.17	6,878.00	9,767.32
EBITDA	309.26	465.19	863.20
EBITDA Margin (%)	6.04	6.76	8.84
PAT	99.49	166.50	413.26
PAT Margin (%)	1.94	2.42	4.23
EPS	0.97	1.62	3.77
Return on Equity (RoE%)	26.02	32.31	31.23
Return on Capital Employed (RoCE%)	6.46	6.60	21.99
Debt to Equity Ratio	7.66	8.82	1.80

Source: RHP

Segment Wise Revenue Bifurcation (₹ in Lakhs)

Particulars	FY23	FY24	FY25
Manufacturing Operations	4,864.18	6,305.08	8,846.43
Trading Operations	253.99	572.92	920.89
Total	**5,118.17**	**6,878.00**	**9,767.32**

Customer concentration (% of Revenue)

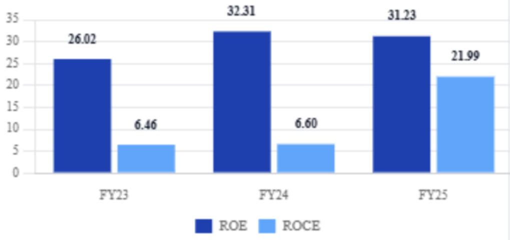
Particulars	FY23	FY24	FY25
Top 10 Customers	57.69	53.41	48.43

About The Founder

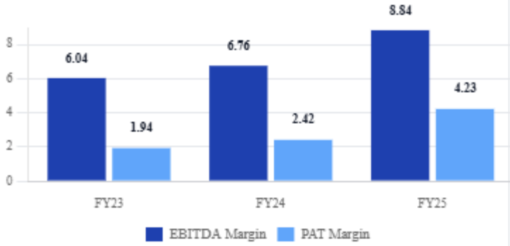
Mr. Anilkumar Prakashchandra Agrawal, aged 53, is the Promoter and Managing Director of the company. He has played a key role in driving the company's growth since inception. He completed his higher secondary education from the Gujarat Secondary Education Board, Gandhinagar, in 1990 and brings over 33 years of experience in the sales and manufacturing sectors.

FINANCIAL HIGHLIGHTS

Ratios



EBITDA and PAT Margin



Profitability Ratios: