



Vivekanand Cotspin Limited

Textiles

IPO Report

SME IPO

Price Band: ₹32 to ₹37 per share
Bidding: 21 Sep to 23 Sep, 2026
Listing At: BSE SME
Listing Date: Sep 28, 2026

Details of the Issue

Lead Manager	Swastika Investmart Ltd.
Registrar	MUFG Intime India Pvt. Ltd.
Market Maker	Sunflower Broking Pvt. Ltd.

Promoters Holding (%)

Pre-Issue	100.00
Post-Issue	73.03

Offer Structure

Market Maker	3,00,000 shares
QIB	28,50,000 shares
Retail	19,95,000 shares
NII	8,55,000 shares
Fresh Issue	60,00,000 shares
Total Issue	₹22.20 Cr

Financial Summary (₹ in Lakhs)

Particular	FY26	FY25	FY24
Revenue	40,801.01	29,046.69	35,738.81
EBITDA	1,509.31	1,458.92	1,459.46
PAT	368.78	494.29	335.33

Minimum Application

Category	Lots	Shares	Amount
Retail	2	6,000	₹2,22,000
S-HNI	3-9	9,000-27,000	₹3,33,000-₹9,99,000
B-HNI	10	30,000	₹11,10,000

Customer concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 1 customer	12.02	29.31	38.84
Top 5 customers	34.86	71.95	78.88
Top 10 customers	51.18	83.08	88.73

Valuations

NAV(FY'26)	17.81
EPS(FY'26)	2.45
P/E(Pre Issue)	15.10

Promoters

Nirav Bharatbhai Patel, Jasmin Vishnubhai Patel, Bharatbhai Prahaladbhai Patel, Vishnubhai Prahaladdas Patel, Gautam Bharatkumar Patel, B P Patel Family Trust and V P Patel Family Trust.

Company Overview

Incorporated in 2015, the Vivekanand Cotspin Limited is engaged in cotton ginning and spinning, along with trading of cotton products. Its portfolio includes cotton bales, cotton seeds and yarn, with a focus on manufacturing carded and combed cotton yarn for domestic and export markets. The company operates spinning mills equipped with modern machinery to support quality and production efficiency.

Object of the Issue

- Funding Capital Expenditure requirements towards Plant & Machinery: ₹526.89 lakhs
- To meet Working Capital requirements: ₹1,100.00 lakhs
- General corporate purposes

Price Band Analysis

At the upper price band of ₹37, Vivekanand Cotspin Limited commands a post-issue P/E of 22.32x and P/B of 2.08x, indicating a relatively full earnings valuation and a premium to book value. The company operates in the cyclical cotton ginning and spinning industry, where profitability is influenced by cotton prices and yarn demand.

Peer Comparison as of FY26

CompanyName	EPS (₹)	P/E	RONW (%)	NAV (₹)
Vivekanand Cotspin Limited	2.45	15.10	15.96	17.81
Deepak Spinners limited	5.06	22.11	1.60	319.10
Lagnam Spintex Limited	8.14	9.52	11.23	76.60

Risk Measures:

- The top 10 customers contributed 51.18% of revenue in FY26, while the largest customer accounted for 12.02%, exposing the company to revenue and business continuity risks from customer concentration.
- The business remains working-capital intensive due to extended receivable cycles and the need to maintain seasonal raw material inventories, which may constrain liquidity and cash flows.

Investment Rationale:

- Revenue from operations grew to ₹40,801.01 lakhs in FY26 from ₹29,046.69 lakhs in FY25; however, profitability remains subdued, with net margins declining to 0.90% from 1.40%, reflecting competitive industry dynamics and high raw cotton price volatility.
- The business remains working-capital intensive, with a debt-to-equity ratio of 1.56x in FY26, while reliance on working capital facilities and recallable unsecured promoter loans adds to financial risk.
- The top 10 customers contributed 51.18% of revenue in FY26, with sales executed primarily on an order-by-order basis and without long-term supply agreements, creating customer retention and revenue visibility risks.
- Group entities operate in similar lines of business, while a notable portion of sales, purchases and leases are undertaken with these related parties, creating potential related-party and transaction concentration risks.

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

Particular	FY26	FY25	FY24
Revenue From Operations	40,801.01	29,046.69	35,738.81
EBITDA	1,509.31	1,458.92	1,459.46
EBITDA Margin (%)	3.70	3.99	4.08
PAT	368.78	494.29	335.33
PAT Margin (%)	0.90	1.35	0.94
Return on Equity (RoE%)	15.96	26.09	11.72
Return on Capital Employed (RoCE%)	13.14	12.16	13.41
EPS	2.45	3.30	2.24
Debt to Equity	1.56	3.17	1.94

Product wise Revenue Bifurcation (₹ in lakhs)

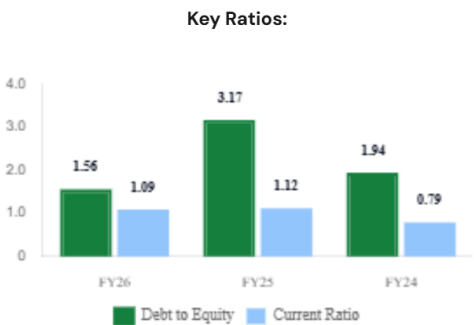
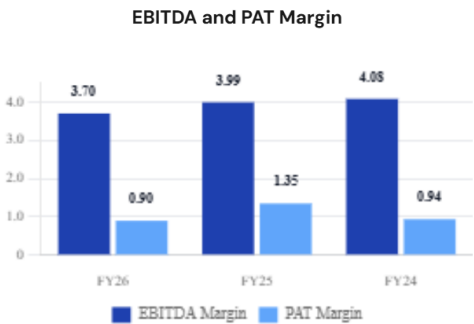
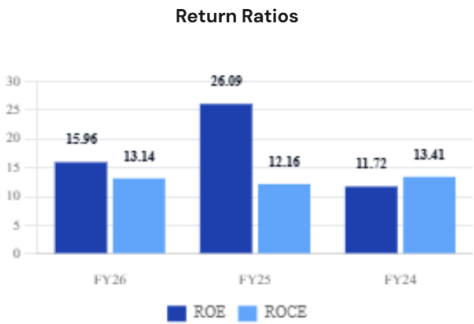
Particulars	FY26	FY25	FY24
Cotton Yarn	21,080.23	9,353.64	9,742.95
Cotton Bales	15,650.16	16,095.92	21,041.68
Cotton Yarn Waste	930.30	592.45	1,117.61
Cotton Seed	2,709.63	2,852.21	3,375.51
Others	430.69	152.47	461.06
Total	40,801.01	29,046.69	35,738.81

About The Founder



Nirav Bharatbhai Patel, aged 40 is the Chairman, Managing Director and Promoter, with 15 years of experience in the cotton ginning and spinning industry. He holds a Bachelor of Accounting/Bachelor of Business (Management) from Central Queensland University.

FINANCIAL HIGHLIGHTS



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