IPO DETAILS

SONASELECTION INDIA LIMITED

#IPOlogy

ISSUE OPEN
17/09/2026

ISSUE CLOSE
21/09/2026

Min. Lot Size
150 Shares

Issue Price Band
₹94 - ₹99

Issue Size

Fresh Issue:
1.43 Cr Eq Shares
(₹142.00 Cr)

OFS:
NIL

Face Value
₹10

Industry
Textiles & Apparel

Listing at
NSE, BSE

Rating
Avoid

APPLY NOW

Marwadi Shares and Finance Limited
Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.
Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

For Facts & Figures

SONASELECTION INDIA LIMITED

Rationale

Considering the FY26 EPS of Rs 5.99 on a post issue basis, the company is going to list at a P/E of ~17x with a market cap of Rs 563 Cr whereas its peers namely Vishal Fabrics Ltd, Sangam (India) Ltd, Nitin Spinners Ltd are trading at P/E ratio of approximately ~15x, ~23x, ~17x respectively.

We assign an 'Avoid' rating to this IPO as the company has reported negative operating cash flows in FY25 and FY26, along with weak cash conversion, raising concerns over its ability to efficiently convert earnings into cash.

Objectives of the issue

Repayment and/or pre-payment, in full or part, of certain borrowings availed by their company from banks;

Funding of capital expenditure towards purchase of plant and machineries at the existing manufacturing facility situated at located at 18th K M Stone, Chittorgarh Road, Hamirgarh, Bhilwara- 311025 Rajasthan, India; and;

General corporate purposes.

Company Overview

Incorporated in February 2022, the Company is an integrated fabric manufacturing and processing company engaged in the production of value-added textile products.

They specialize in the manufacturing of 100% cotton fabric, cotton lycra (stretch) fabric, cotton blends, polyester blends, and in the processing of fabric including 100% cotton, cotton blends, polyester-viscose (P/V) and polyester fabric.

The company procures greige fabric from third-party suppliers or yarn, which is converted into greige fabric through outsourced job work as per its specifications. The greige fabric is then processed in-house through bleaching, dyeing and finishing to produce finished fabric as per required quality, specifications and end-use requirements.

In addition to manufacturing its own fabric, the company also undertakes processing of greige fabric on a job-work basis for third-party customers. Under this vertical, customers supply greige fabric, which the company processes as per their requirements relating to quality, colour shades, finishes and other product attributes.

The company derives 81.50% of its revenue from the Manufacturing segment, 17.30% from the Job Work segment, and 1.20% from the RMG segment in Fiscal 2026.

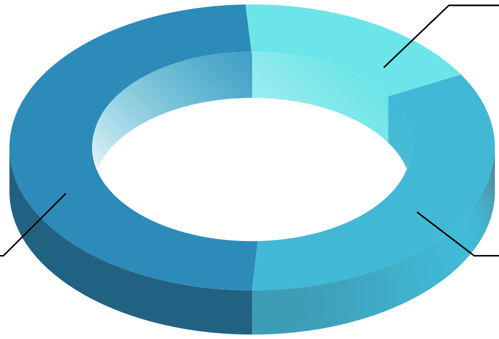
Bhilwara Facility: 82.44 Mn Meters Capacity

The Company's manufacturing facility is located in Bhilwara, Rajasthan, and is spread across an aggregate land area of approximately 49,540 Sq. Mtr. Their manufacturing facility has an installed processing capacity of 82.44 million meters per annum.

SONASELECTION INDIA LIMITED

Issue Details

Issue Break-Up

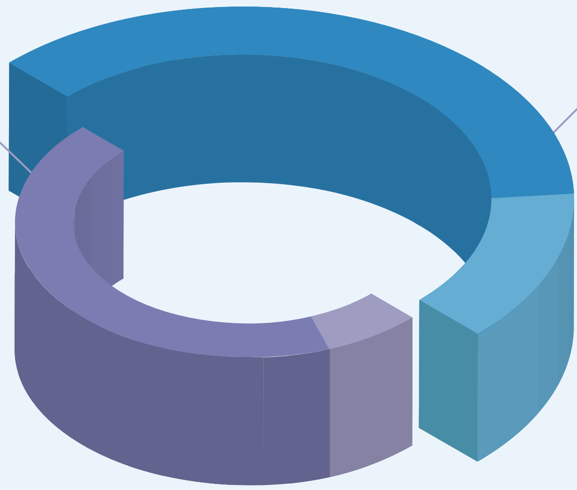


NIB:15%
₹21 Cr.

QIB: 50%
₹71 Cr.

RETAIL:35%
₹50 Cr.

Shareholding Pattern



Pre-Issue

86%
Promoters & Promoter's Group

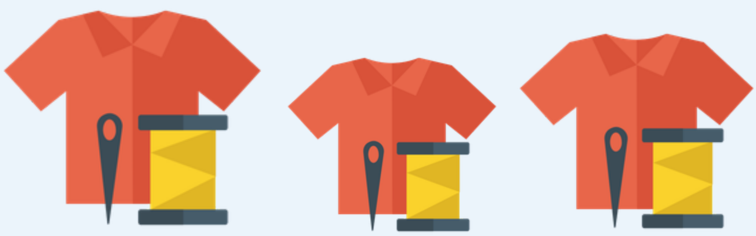
14%
Public

Post-Issue

65%
Promoters & Promoter's Group

35%
Public

Capital Structure (in ₹ Cr.)

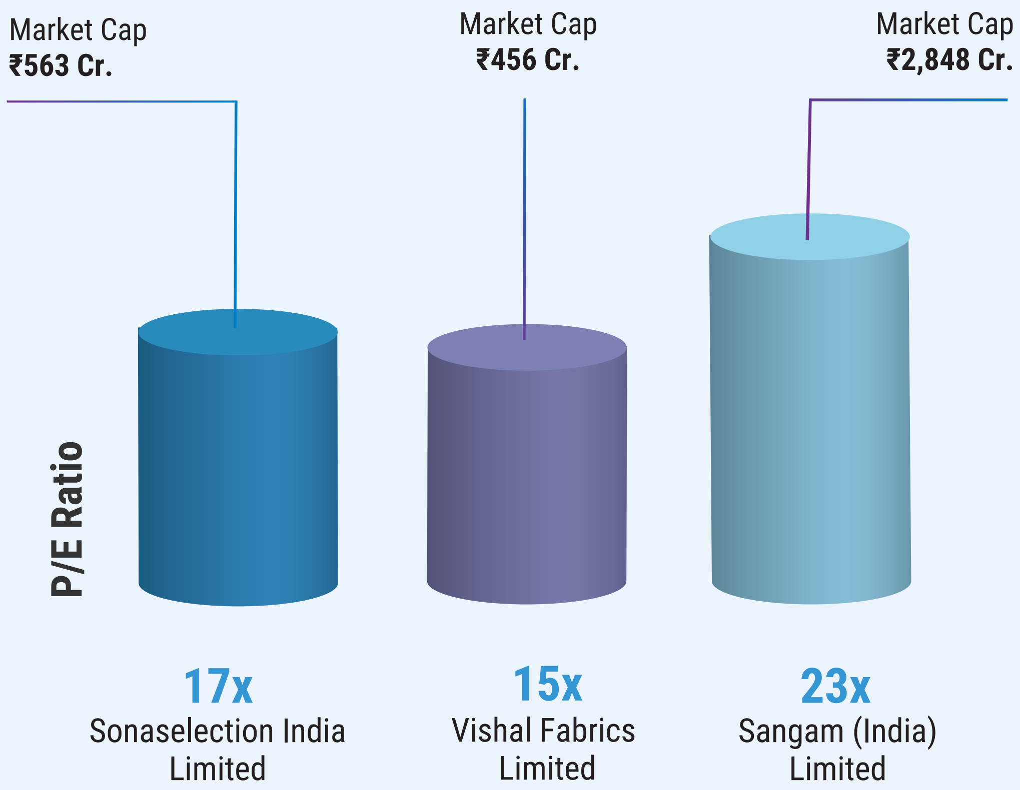


60 Cr	43 Cr	57 Cr
Authorised Equity Share Capital	Paid-Up Capital (Pre-Offer)	Paid-Up Capital (Post-Offer)

MARWADI
FINANCIAL SERVICES

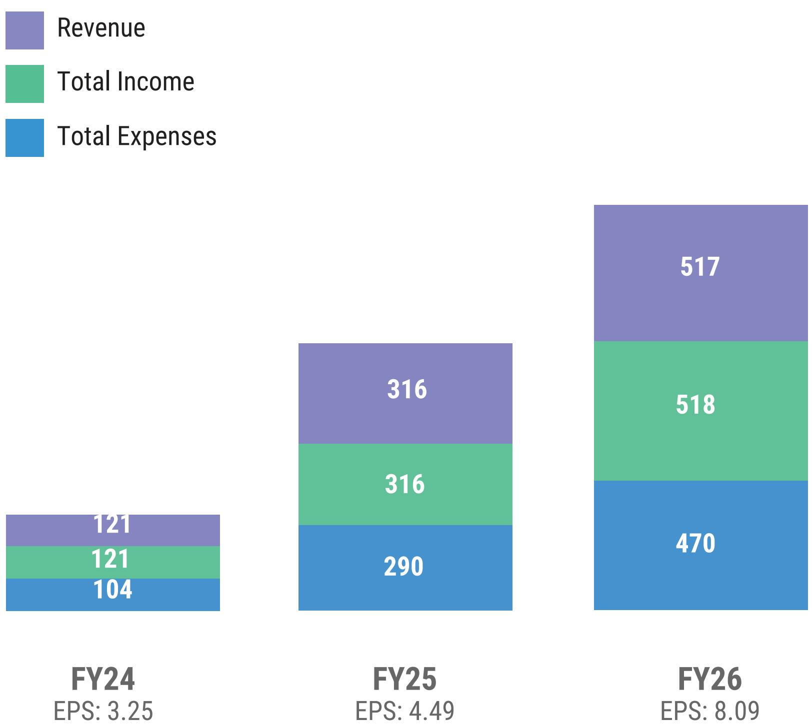
SONASELECTION INDIA LIMITED

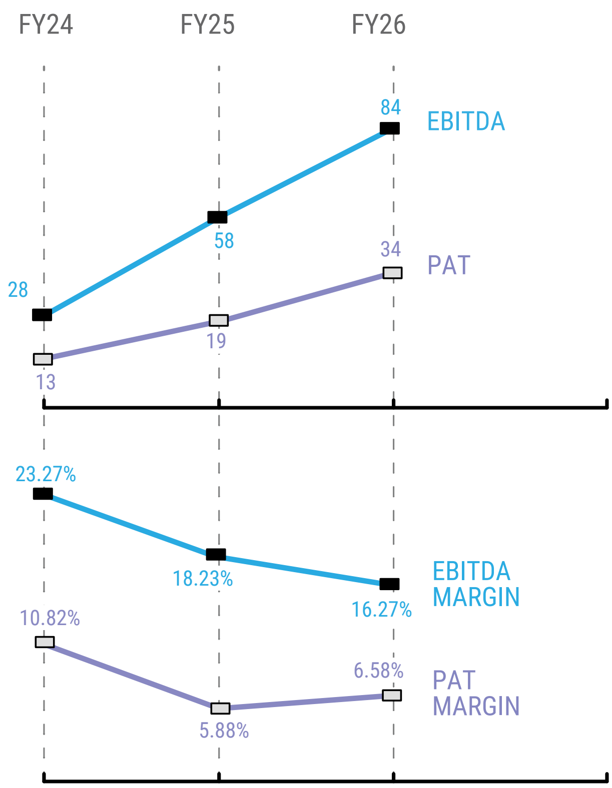
Valuations and Peer Comparison



Market Cap data of listed securities as on Sep 16, 2026

Financial Snapshot (in ₹ Cr.)





SONASELECTION INDIA LIMITED

Business Insights

Competitive Strengths

- Strategically located Manufacturing Facility with modern technologies to support our product portfolio.
- Integrated business model combining manufacturing and job work activities.
- Strong standing relationships with customers with high retention rate.
- Experienced promoters supported by a professional management team with domain knowledge.
- Healthy track record and steady growth.

Business Strategy

- Forward integration and expansion through their subsidiary.
- Strengthening their sustainability framework and expand renewable energy usage.
- Focus on cost optimization.
- Focus on deleveraging and enhancing financial flexibility.
- Leveraging their modern technologies for expanding into technical textiles.

Risks

- They have experienced negative cash flows in the past, and any significant negative cash flows, if occurs, may adversely affect their business, financial condition and growth prospects.
- Their debt-equity ratio as at Fiscals 2026, 2025 and 2024 was 2.48, 2.96 and 3.72 times, respectively. Their high debt-equity ratio may adversely affect their financial condition and results of operations.

Promoters and Management Details

Harshil Nuwal - Managing Director

Uma Nuwal - Whole-time Director

Subhash Chandra Nuwal - Non-executive Director and Chairman