Aastha Spintex Ltd.

IPO Note

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Aastha Spintex Limited is a Gujarat-based textile manufacturer engaged in the production and trading of carded, combed, and compact combed cotton yarns, along with cotton bales. Incorporated on August 12, 2013, as Aastha Spintex Private Limited and subsequently converted into a public limited company on February 12, 2025, the company operates an integrated semi-automated spinning and ginning facility located at Halvad, Morbi, Gujarat. The company manufactures 100% cotton yarns in counts ranging from Ne 26 to Ne 40, catering to a wide range of applications including denim, shirting, home textiles, terry towels, sweaters, socks, and industrial fabrics.

Aastha Spintex operates within India's rapidly expanding textile and cotton spinning industry, supported by rising domestic consumption, increasing exports, government incentives, and India's strong position as one of the world's largest cotton producers. The company follows an integrated manufacturing model wherein raw cotton is processed into cotton bales and subsequently converted into value-added cotton yarns. Its manufacturing facility houses 25,920 spindles and 28 ginning machines with annual capacities of 7,700 MT of yarn and 12,000 MT of cotton bales, respectively. The company's strategic location in Gujarat provides proximity to major cotton-growing regions, enabling efficient raw material sourcing and cost optimization.

The company has demonstrated strong financial growth over the last three years. Revenue from Operations increased to INR 351.16 crore in FY25, registering a growth of approximately 15.2% YoY, while Profit After Tax (PAT) stood at INR 23.5 crore. The company reported an EBITDA of INR 49.9 crore with an EBITDA Margin of 14.20% and a PAT Margin of 6.7%. Return ratios remain healthy with ROE of 19.3% and ROCE of 13.9%, reflecting efficient utilization of capital and steady operational performance.

Aastha Spintex's key strengths include its integrated spinning and ginning operations, long-standing customer relationships, strategic location in Gujarat's cotton belt, quality-focused manufacturing processes, and experienced promoter group with over a decade of industry expertise. The company is also pursuing growth through the proposed acquisition of Falcon Yarns Private Limited, which is expected to increase its spinning capacity from 7,700 MT to 17,457 MT annually.

The IPO consists entirely of a fresh issue aggregating up to INR 170 crore, with proceeds proposed to be utilized primarily for the acquisition of Falcon Yarns Private Limited, repayment of borrowings, funding working capital requirements, and general corporate purposes. With its integrated manufacturing platform, expansion strategy, strong presence in the cotton yarn segment, and focus on operational efficiency, Aastha Spintex is well positioned to capitalize on the growing opportunities in India's textile and apparel value chain.

Industry	Textile

Scrip Details	
Listing	BSE & NSE
Open Date	June 29, 2026
Close Date	July 1, 2026
Price Band	INR 125 -136
Face Value	INR 10
Market Lot	110 Shares
Minimum Lot	1

Issue Structure	
Issue Size (INR cr)	INR 170.0
Issue Size sh. (in cr.)	1.25
QIB Share (%)	≤ 20%
Non-Inst Share (%)	≥ 40%
Retail Share (%)	≥ 40%
Pre-Issue sh. (in cr.)	3.16
Post Issue sh. (in cr.)	4.41
Post Issue Market Cap (in cr)	600

Shareholding (%)	Pre (%)	Post (%)
Promoter	74.2	53.2
Public	25.8	46.8
TOTAL	**100**	**100**

Key Consolidated Financial Data (INR Cr, unless specified):

	Revenue	EBITDA	PAT	EBITDA (%)	PAT (%)	Adj EPS (₹)	Adj BVPS (₹)	RoE (%)	RoIC (%)	EV/EBITDA (X)	P/BV (X)	P/E (X)
FY23	239.3	14.1	1.1	5.9	0.4	0.2	4.1	1.8	6.1	48.0	33.4	567.3
FY24	304.9	37.2	16.3	12.2	5.3	3.7	7.5	21.3	20.2	18.2	18.2	36.9
FY25	351.2	49.9	23.5	14.2	6.7	5.3	13.1	19.3	20.3	13.7	10.4	25.5
Dec-25	313.3	37.6	17.6	12.0	5.6	4.0	34.7	14.9	-	16.0	3.9	34.2

Source: Ventura Research & Company update

Issue Structure and Offer Details:

Aastha Spintex IPO is a book build issue of INR 170.00 crores. The issue is entirely a fresh issue of 1.25 crore shares of INR 170.00 crore.

Issue Structure	
Investor Category	**Allocation**
QIB	**Not more than 20% of the Net Issue**
NII (HNI)	**Not less than 40% of the Net Issue**
Retail	**Not less than 40% of the Net Issue**

Number of shares based on a higher price band of INR 136

Source: Company Reports

Objects of the Issue:

1. **Part Payment of the purchase consideration for the acquisition of Falcon Yarns Private Limited – INR 111.51 Cr.**
2. **Inter-Corporate deposits for funding working capital requirement of Falcon Yarns Private Limited – INR 10 Cr.**
3. **General corporate purposes**

Financial Summary

Fig in INR Cr (unless specified)	FY23	FY24	FY25	Dec-25
Income Statement				
Revenue	239.3	304.9	351.2	313.3
YoY Growth (%)		*27.4*	*15.2*	
Raw Material Cost	198.4	243.5	279.2	265.9
RM Cost to Sales (%)	*82.9*	*79.9*	*79.5*	
Employee Cost	6.9	6.5	7.3	6.5
Employee Cost to Sales (%)	*2.9*	*2.1*	*2.1*	*2.1*
Other Expenses	19.9	17.7	14.8	3.3
Other Exp to Sales (%)	*8.3*	*5.8*	*4.2*	*1.1*
EBITDA	14.1	37.2	49.9	37.6
Margin (%)	*5.9*	*12.2*	*14.2*	*12.0*
YoY Growth (%)		*164.5*	*34.0*	
Depreciation & Amortization	5.8	6.3	8.1	6.1
EBIT	8.3	30.9	41.8	31.5
Margin (%)	*3.5*	*10.1*	*11.9*	*10.1*
YoY Growth (%)		*274.2*	*35.2*	
Other Income	0.4	0.8	1.0	0.7
Bill discounting & other charges	7.4	10.5	10.2	
Fin Charges Coverage (X)	1.1	2.9	4.1	8.0
Exceptional Item	0.0	0.0	0.0	0.0
PBT	1.3	21.2	32.7	24.2
Margin (%)	*0.5*	*7.0*	*9.3*	*7.7*
YoY Growth (%)		*1,533.4*	*53.9*	
Tax Expense	0.2	4.9	9.2	6.6
Tax Rate (%)	*18.6*	*23.3*	*28.1*	*27.4*
PAT	1.1	16.3	23.5	17.6
Margin (%)	*0.4*	*5.3*	*6.7*	*5.6*
YoY Growth (%)		*1,439.0*	*44.3*	
Min Int/Sh of Assoc	0.0	0.0	0.0	0.0
Net Profit	1.1	16.3	23.5	17.6
Margin (%)	*0.4*	*5.3*	*6.7*	*5.6*
YoY Growth (%)		*1,439.0*	*44.3*	
Balance Sheet				
Share Capital	0.0	27.3	29.9	31.6
Total Reserves	18.0	5.7	28.1	121.6
Shareholders Fund	18.0	33.0	58.0	153.2
Long Term Borrowings	40.6	38.1	26.3	11.3
Deferred Tax Assets / Liabilities	4.9	7.3	8.0	0.0
Other Long Term Liabilities	0.0	0.0	0.0	0.0
Long Term Trade Payables	0.0	0.0	0.0	0.0
Net Current Liabilities	(34.5)	(11.2)	48.5	167.2
Total Liabilities	29.0	67.2	140.9	331.7
Net Block	73.2	87.5	80.8	75.0
Capital Work in Progress	16.9	0.0	0.0	0.0
Intangible assets under developmei	0.0	0.0	0.0	0.0
Non Current Investments	0.0	0.0	0.0	0.0
Long Term Loans & Advances	0.4	0.9	0.7	0.0
Other Non Current Assets	0.0	0.0	0.0	3.3
Net Current Assets	(61.5)	(21.2)	59.4	253.3
Total Assets	29.0	67.2	140.9	331.7

Fig in INR Cr (unless specified)	FY23	FY24	FY25	Dec-25
Per share data & Yields				
Adjusted EPS (INR)	0.2	3.7	5.3	4.0
Adjusted Cash EPS (INR)	1.6	5.1	7.1	5.4
Adjusted BVPS (INR)	4.1	7.5	13.1	34.7
Adjusted CFO per share (INR)	0.2	2.9	(4.2)	(3.1)
CFO Yield (%)	0.1	2.2	(3.1)	(2.3)
Adjusted FCF per share (INR)	(1.4)	3.9	(2.9)	
FCF Yield (%)	(1.0)	2.9	(2.1)	
Solvency Ratio (X)				
Total Debt to Equity	4.5	2.5	1.6	0.8
Net Debt to Equity	4.2	2.3	1.4	0.0
Net Debt to EBITDA	5.3	2.1	1.7	0.0
Return Ratios (%)				
Return on Equity	1.8	21.3	19.3	14.9
Return on Capital Employed	4.8	14.9	13.9	13.7
Return on Invested Capital	6.1	20.2	20.3	
Working Capital Ratios				
Payable Days (Nos)	34	78	41	64
Inventory Days (Nos)	68	68	123	193
Receivable Days (Nos)	23	87	41	53
Net Working Capital Days (Nos)	57	77	123	181
Net Working Capital to Sales (%)	15.5	21.0	33.7	49.6
Valuation (X)				
P/E	567.3	36.9	25.5	34.2
P/BV	33.4	18.2	10.4	3.9
EV/EBITDA	48.0	18.2	13.7	16.0
EV/Sales	2.8	2.2	1.9	1.9
Cash Flow Statement				
PBT	1.3	21.2	32.7	24.2
Adjustments	0.2	23.6	12.0	5.0
Change in Working Capital	(0.5)	(27.0)	(54.2)	(6.9)
Less: Tax Paid	(0.2)	(4.9)	(9.2)	(6.6)
Cash Flow from Operations	0.7	12.9	(18.7)	(13.6)
Net Capital Expenditure	(27.6)	(3.7)	(1.3)	(3.3)
Change in Investments	(0.3)	(0.2)	1.0	0.0
Cash Flow from Investing	(27.8)	(3.9)	(0.4)	(3.3)
Change in Borrowings	21.6	1.9	31.2	20.5
Less: Finance Cost	(7.4)	(10.5)	(10.2)	(8.0)
Proceeds from Equity	0.0	0.0	2.6	0.0
Buyback of Shares	0.0	0.0	0.0	0.0
Dividend Paid	0.0	0.0	0.0	0.0
Cash flow from Financing	14.2	(8.7)	23.7	12.5
Net Cash Flow	6.0	0.3	4.6	(1.4)
Forex Effect	0.0	0.0	0.0	0.0
Opening Balance of Cash	0.1	6.1	6.5	11.1
Closing Balance of Cash	6.1	6.5	11.1	9.7

Note: The financials for Dec-25 represent a 9-month period (Apr–Dec 2025), not a full fiscal year.

Source: Ventura Research

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