

Aastha Spintex Ltd (ASL), incorporated in 2013, is engaged in manufacturing and trading carded, combed, and compact combed cotton yarns and cotton bales. Their products cater to diverse end-use segments, including denim, terry towels, shirting, sheeting, sweaters, socks, home textiles, and industrial fabrics. The company operates a semi-automated and integrated spinning and ginning facility in Halvad, Morbi, Gujarat.

Their cotton bales are used for both captive yarn production and supply to other spinning units. Cotton yarn waste generated during the manufacturing process is also efficiently reused within the textile ecosystem

A key factor which is positive for ASL is that it has installed rooftop solar, ground-mounted solar, and wind power plants to meet captive power requirements, resulting in substantial cost efficiencies in power consumption

Aastha Spintex Ltd. has demonstrated strong top-line and bottom-line growth. For the financial year ending March 31, 2025, the company recorded a revenue of ₹352.17 Crs, 15% higher than the previous year, with an EBITDA of ₹50.87 Crs and a net profit (PAT) of ₹23.50 Crs. Key financial ratios, including ROE of 23.8% and ROCE of 22.8%, indicate efficient capital utilization and solid return on equity.

The promoters of Aastha Spintex Ltd are Patel Divyang Jashvantbhai, Rasiklal Valjibhai Patel, Gothi Vivek Rasiklal and Jashwantbhai Valjibhai Patel. Patel Divyang Jashvantbhai is the Promoter, Chairman, and Managing Director, Rasiklal Valjibhai Patel serves as the Promoter and Administrative Head, Gothi Vivek Rasiklal is the Promoter and Whole-Time Director, while Jashwantbhai Valjibhai Patel serves as the Promoter and Executive Director of the company.

Aastha Spintex Ltd is making fresh issue of up to 125.00Lakh shares having face value of Rs 10 each aggregating Rs 170 crs. The net offer to the public is 1,25,00,000 shares within the price band of Rs 125 - 136 per share. Of the above, 100.00 Lakh shares are offered in equal proportion to retail and to the Non-Institutional HNI category. Remaining 25 Lakh shares are allocated to QIBs.

The shares will be listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

**Filing date** June 18, 2026

**Issue opens** on 29<sup>th</sup> June 2026

**Issue closes** on 1<sup>st</sup> July 2026

**Exp date of Listing** – 6<sup>th</sup> July 2026

**Listing** – BSE, NSE

**Price band** ₹ 125 - 136

**Issue Size** ₹ 170.00 Crs

**Face Value** ₹ 10/-

**Lot Size** - 110 shares

**Fresh Shares Offered** – 1,25,00,000 shares of FV of Rs 10 at a price band of Rs 125 - 136

**Retail Portion** 50,00,000 Equity Shares of FV of Rs 10 each at a price band of Rs 125 - 136

**QIB Portion** 25,00,000 Equity Shares of FV of Rs 10 each at a price band of Rs 125 - 136

**HNI/NII** 50,00,000 Equity Shares of FV of Rs 10 each at a price band of Rs 125 - 136

**BRLMs:** BOI Merchant Bankers Ltd and PNB Investment Services Ltd

## Aastha Spintex Ltd – Committed to Advancement

**Promoters Driving Market Competitiveness:** Led by Patel Divyang Jashvantbhai as Chairman and Managing Director, the management team combines decades of expertise in manufacturing and operations. With Rasiklal Valjibhai Patel, Gothi Vivek Rasiklal, and Jashwantbhai Valjibhai Patel in key leadership roles, their collective experience is poised to drive the company's growth and expand its market presence.

**B2B Cotton Yarn and Bale Manufacturing Model for operational control and cost efficiency –** Aastha Spintex Ltd. follows an integrated B2B business model, combining cotton ginning and yarn spinning under one roof to ensure operational control and consistent product quality. By sourcing raw cotton locally, maintaining buffer stocks, and leveraging semi-automated processes, the company optimizes production efficiency and reduces costs, while its renewable energy initiatives further enhance cost-effectiveness and sustainability.

**Focused on Integrated Operations and Customer-Centric Growth.** Aastha Spintex Ltd. pursues a growth strategy centered on fully integrated manufacturing, combining cotton ginning and yarn spinning under one roof to enhance operational efficiency and product quality. The company emphasizes long-term customer relationships, product customization, and strategic geographic advantages to strengthen market presence.

**Post the Public Issue Aastha Spintex Ltd eyes long-term growth –** Aastha Spintex Ltd.'s long-term growth plan focuses on expanding through strategic organic and inorganic acquisitions, including the recent acquisition of Falcon Yarns to boost production capacity and market reach. The company aims to widen its customer base and geographic footprint across India and international markets. Additionally, it emphasizes operational efficiency and manufacturing excellence through modern infrastructure, quality control, and cost optimization to support sustainable, scalable growth. Post-acquisition, Aastha Spintex's spinning capacity will increase from 7,700 MT to 17,457 MT. & Spindle Capacity will increase from 25,920 to 61,824

## Financials –

31st March (₹) Cr.	FY23	FY24	FY25	9-month FY26
<b>Total Revenue</b>	239.27	304.86	351.16	313.29
<b>EBITDA</b>	14.07	37.20	49.86	37.60
<b>EBITDA %</b>	5.88	12.20	14.20	12.00
<b>PBT</b>	1.30	21.23	32.09	24.21
<b>Profit After Tax</b>	1.30	16.37	23.01	18.05
<b>EPS Rs</b>	0.39	5.96	8.29	5.56
<b>Shareholders' Funds</b>	60.01	76.38	121.05	153.18

Source - Company

## Risks-

Aastha Spintex Ltd. faces risks from intense competition in the highly fragmented textile industry, including both organized and unorganized players.

More importantly ASL's facility enjoys infrastructure connectivity through well-developed road, rail, and port networks. The site is located near National Highway 27, offering direct highway access to major cities in Gujarat and Maharashtra and around 135 km from Kandla Port and 35 km from Navkar ICD in Gujarat to facilitate export sales through our reseller. This strategic location not only optimizes the company's supply chain logistics but also enhances its ability to scale operations

ASL is also equipped properly on the raw material side & has a network of over 125 suppliers and all its suppliers are located in Gujarat which significantly reduces transportation costs, which reduces its lead time and enables faster response to production needs

The Indian textile industry is estimated at USD 195.4 billion in 2025 and is projected to reach USD 623.34 billion by 2035, at a CAGR of 12.3%, driven by strategic investments, policy support, and innovation.. The Union Budget 2026–27 introduces the National Fibre Scheme, aimed at promoting self-reliance and ensuring stable availability of natural, man-made, and specialised fibres, thereby strengthening raw material security and reducing input cost volatility

During Fiscal 2025, 2024 and 2023, ASL served 40, 32 and 42 repeat customers, and added 191, 46 and 43 new customers. Further during the preceding three Fiscals, it served more than 250 customers across textile industry, out of which 14 have been associated with ASL for a period of more than 5 years.

Going ahead ASL is confident that its strategic Buy Out Of Falcon Yarns will not only expand its capacity via the inorganic route but also give the potential to scale up operations here going ahead and make them profitable like ASL going ahead. The Falcon Yarn plant is also equipped with a inhouse solar power capacity which ensures that power costs will be controlled going ahead

According to the company the inorganic Buy Out is much better that setting up a new unit which would cost more in terms of capital cost and also ensure that it starts generating higher revenues and profits from this unit in a shorter period of time as compared to a green field unit. Hence the benefits of this acquisition are expected to be very productive for ASL going ahead & will be reflected in financial numbers in the next 2 years going ahead

## **Our View on This IPO**

Aastha Spintex Ltd., the maker and trader of cotton yarns and bales, has approached the primary markets with a book-built initial public offering (IPO) aggregating up to ₹170 Crs. It has kicked off its expansion drive through the acquisition of Falcon Yarns. This will help its to boost its production capacity and market reach. Aastha hopes to widen its customer base and geographic footprint across India and overseas markets via this inorganic acquisition

Under the leadership of Divyang Jashvantbhai Patel, ASL has steered through critical period in the past and is hopeful of achieving its growth targets as well as expand its market presence. Aastha's integrated B2B business model, coupled with cotton ginning and yarn spinning under one roof will ensure it maintains operational control and consistent product quality.

Aastha Spintex has demonstrated strong top-line and bottom-line growth over the years. A 15% rise in revenue at ₹352.17 Crs, during financial year ending March 31, 2025, and a net profit (PAT) of ₹23.50 Crs underscores the operational strength the company has build over the last few years.

As regards the IPO proceeds, the company will receive entire 100% from the fresh issue. Part of the IPO proceeds will be used for funding the acquisition of Falcon Yarn, provide subsidiary working capital and meet general corporate purpose. Its net worth will increase to Rs 323.18 Crs as on date after the IPO, & post-IPO, the equity capital will stand at Rs 44.14 Crs.

Aastha Spintex Ltd aims to consolidate its position in both the domestic and international markets through a mix of organic and inorganic growth. The company continues to pursue a strategy centered on fully integrated manufacturing, combining cotton ginning and yarn spinning under one roof to enhance operational efficiency and product quality. While its high dependency on the raw cotton market remains a key concern, its in-house power sourcing through solar and wind plants - coupled with better export margins and stable, timely payments - helps ensure the fulfillment of its growth objectives. Furthermore, a long-term track record of operational stability strongly supports this investment thesis

Hence, we recommend **SUBSCRIBE** for long-term investment

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