



# IPO INSIGHTS



Sanathan  
Textiles

Yarns for the Fabric of Life

## Sanathan Textiles Limited

**Issue Dates - Opens: 19-12-2024 | Closes: 23-12-2024**

### IPO Note

1. Sanathan Textiles Limited is a polyester yarn manufacturer and a global supplier of Cotton Yarn.
2. The company's business is divided into three separate yarn business verticals, consisting of: (a) Polyester yarn products; (b) Cotton yarn products; and (c) Yarns for technical textiles and industrial uses.

### Rating

★★ (Average)

## IPO SNAPSHOT

Issue Size

₹550 Crores

Issue Type

Book Built Issue IPO

Fresh Issue

₹400 Crores

Offer for Sale

₹150 Crores

Face Value Per Share

₹10

Price Band Per Share

₹305 to ₹321

Minimum Lot Size

46 shares

Listing On

BSE, NSE

Registrar to the Issue

Kfin Technologies Limited

# IPO SNAPSHOT- Sanathan Textiles Limited

<p><b>About the Company</b></p>	<ul style="list-style-type: none"> <li>▪ Incorporated in 2005.</li> <li>▪ Sanathan Textiles Limited is one of the few companies in India with presence across the polyester, cotton and technical textile (which find application in multiple end-use segments including automotive, healthcare, construction, sports and outdoor, and protective clothing) sectors and based on their operating income, they had a market share of 1.7% in the overall Indian textile yarn industry.</li> <li>▪ Currently, all the three yarn verticals are housed under a single corporate entity.</li> <li>▪ This has facilitated their diversification into new segments which in turn has helped them in serving a large number of customers across various sectors.</li> <li>▪ Moreover, they have more than 3,200 active varieties of yarn products (i.e. yarn products manufactured by them) and more than 45,000 stock keeping units (SKUs), and capability to manufacture a diversified product portfolio of more than 14,000 varieties of yarn products and more than 190,000 SKUs that are used in various forms and for varied end uses.</li> <li>▪ They also have a high share of value-added products such as dope dyed, superfine / micro, functional, industrial and technical yarn, cationic dyeable and specialty yarn which are produced after extensive in-house research.</li> </ul>																														
<p><b>Competitive Strengths</b></p>	<ul style="list-style-type: none"> <li>▪ One of the few companies (amongst our peer group) in India with presence across the polyester, cotton and technical textile sectors.</li> <li>▪ Focus on the product development of new products, through process innovation.</li> <li>▪ Fully integrated Yarn manufacturing plant set up at a strategic location with equipment supplied by domestic and globally renowned players.</li> <li>▪ Long standing association with leading consumer brands with a low customer concentration.</li> <li>▪ Deep knowledge and understanding of optimal product assortment and strong supplier network enabling procurement at predictable and competitive pricing, leading to an overall efficient cycle.</li> <li>▪ Healthy financial performance &amp; Experienced management team with a proven track record.</li> </ul>																														
<p><b>Financials (₹ in Crores)</b></p>	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2022</th> <th>31-3-2023</th> <th>31-03-2024</th> <th>Y-o-Y</th> </tr> </thead> <tbody> <tr> <td>Revenue</td> <td>3185.32</td> <td>3329.21</td> <td>2957.50</td> <td>-11%</td> </tr> <tr> <td>EBITDA</td> <td>537.61</td> <td>259.53</td> <td>226.58</td> <td>-13%</td> </tr> <tr> <td>EBITDA Margin</td> <td>16.9%</td> <td>7.8%</td> <td>7.7%</td> <td></td> </tr> <tr> <td>PAT</td> <td>355.44</td> <td>152.74</td> <td>133.84</td> <td>-12%</td> </tr> <tr> <td>PAT Margin</td> <td>11.16%</td> <td>4.59%</td> <td>4.53%</td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2022	31-3-2023	31-03-2024	Y-o-Y	Revenue	3185.32	3329.21	2957.50	-11%	EBITDA	537.61	259.53	226.58	-13%	EBITDA Margin	16.9%	7.8%	7.7%		PAT	355.44	152.74	133.84	-12%	PAT Margin	11.16%	4.59%	4.53%	
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<p><b>Promoters</b></p>	<ul style="list-style-type: none"> <li>▪ Paresh Vrajlal Dattani</li> <li>▪ Ajay Vallabhdas Dattani</li> <li>▪ Dinesh Vrajdas Dattani</li> <li>▪ Anilkumar Vrajdas Dattani</li> <li>▪ D&amp;J, P&amp;B, and A&amp;J Family Trust</li> <li>▪ Nimbus Trust</li> </ul>																														
<p><b>Objects of the issue</b></p>	<ul style="list-style-type: none"> <li>▪ Repayment and/ or pre-payment, in full or part, of certain borrowings availed by the Company.</li> <li>▪ Investment in our subsidiary viz. Sanathan Polycot Private Limited, for repayment and/ or pre-payment, in full or part, of certain borrowings availed by our subsidiary viz. Sanathan Polycot Private Limited.</li> <li>▪ General corporate purposes.</li> </ul>																														

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