IPO Report

Neutral | SME IPO

Shree Balaji (Mala) Textiles Limited

Textiles

Price Band: ₹66 to ₹70 per share
Bidding: 22 Jul to 24 Jul, 2026
Listing At: BSE SME
Listing Date: Jul 29, 2026

Details of the Issue

Lead Manager	GYR Capital Advisors Pvt. Ltd.
Market Maker	Mansi Share & Stock Broking Pvt. Ltd.
Registrar	Kfin Technologies Ltd.

Promoters Holding (%)

Pre-Issue	100.00
Post-Issue	72.74

Offer Structure

Market Maker	1,36,000 shares
QIB	12,74,000 shares
Retail	9,00,000 shares
NII	3,90,000 shares
Fresh Issue	27,00,000 shares
Total Issue	₹18.90 Cr

Financial Summary (₹ in Lakhs)

Particular	FY26	FY25	FY24
Revenue	21,197.18	19,304.37	19,554.07
EBITDA	1,550.10	1,320.29	1,022.69
PAT	585.42	494.61	245.64

Minimum Application

Category	Lots	Shares	Amount
Retail	2	4,000	₹2,80,000
S-HNI	3-7	6,000-14,000	₹4,20,000-₹9,80,000
B-HNI	8	16,000	₹11,20,000

Customer concentration (% of Revenue)

Particulars	FY26	FY25	FY24
Top 1 customer	3.83	3.95	4.89
Top 5 customers	12.00	12.08	11.74
Top 10 customers	18.59	14.48	14.12

Valuations

NAV(FY26)	38.17
EPS(FY26)	8.13
P/E(Pre Issue)	8.61

Promoters

Binod Kumar Kedia, Anita Kedia and Mrityunjay Commosales Pvt. Ltd.

Company Overview

Incorporated in 2005, Shree Balaji (Mala) Textiles Limited is engaged in the manufacturing and wholesale distribution of cotton sarees under its flagship "Mala Saree" brand. Based in West Bengal, the company serves the B2B textile market with a diverse portfolio of designs catering to customers across India.

Object of the Issue

- Funding the working capital requirements of the Company: Upto ₹1,650.00 lakhs
- General Corporate Purpose

Price Band Analysis

At the upper price band of ₹70, Shree Balaji (Mala) Textiles Limited is valued at a post-issue P/E of 11.84x and P/B of 1.83x, reflecting an attractive to fairly valued valuation. The Indian textile industry is supported by strong domestic demand, organized retail expansion, and favorable government initiatives.

Peer comparision (as on FY26)

CompanyName	EPS (₹)	P/E	RONW (%)	NAV (₹)
Shree Balaji (Mala) Textiles Ltd.	8.13	8.61	21.28	38.17
N R Vandana Tex Industries Ltd.	4.73	15.03	14.43	31.11
Saraswati Saree Depot Ltd.	5.89	9.32	12.02	49.16

Risk Measures:

- The company derives over 90% of its FY26 revenue from cotton sarees, making it highly dependent on a single product category. Any decline in demand or shift in consumer preferences could materially impact its revenue and profitability.
- The company has significant geographic concentration, with 90.97% of FY26 revenue generated from Eastern India. Any adverse economic, regulatory, or demand-related developments in the region could materially impact its business and financial performance.

Investment Rationale:

- The company reported revenue growth from ₹19,554.07 lakhs in FY24 to ₹21,197.18 lakhs in FY26, while PAT more than doubled from ₹245.64 lakhs to ₹585.42 lakhs, supported by procurement optimization and efficient inventory management.
- The company plans to utilize upto ₹1,650.00 lakhs from the IPO proceeds towards working capital requirements, supporting inventory expansion, higher receivables from increased sales, and improved supplier relationships, which is expected to strengthen its growth and operating efficiency.
- The company reported negative operating cash flow of ₹1,326.52 lakhs in FY26, primarily due to working capital movements. While this reflects changes in payment and inventory management, sustained improvement in cash flow conversion will remain an important factor to monitor.

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

Particular	FY26	FY25	FY24
Revenue From Operations	21,197.18	19,304.37	19,554.07
EBITDA	1,550.10	1,320.29	1,022.69
EBITDA Margin (%)	7.30	6.83	5.22
PAT	585.42	494.61	245.64
PAT Margin (%)	2.76	2.56	1.26
Return on Equity (RoE%)	23.82	25.79	15.87
Return on Capital Employed (RoCE%)	15.65	18.17	14.41
EPS	8.13	6.86	3.41
Debt to Equity	2.51	2.25	3.08

Product wise Revenue Bifurcation (₹ in Lakhs)

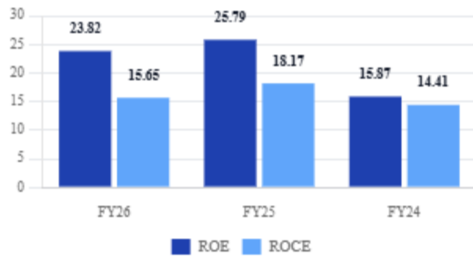
Particulars	FY26	FY25	FY24
Cotton Saree	19,235.53	17,447.10	18,272.29
Embroidery	1,874.91	1,607.02	1,267.33
Fancy Saree	86.73	250.25	14.45
Total	**21,197.17**	**19,304.37**	**19,554.07**

About The Founder

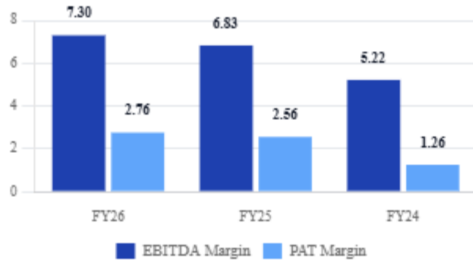
Binod Kumar Kedia is the Chairman and Managing Director of the company. A Commerce graduate from the University of Calcutta, he has over 30 years of experience in the textile industry, with extensive expertise in manufacturing, marketing, business development, and product management.

FINANCIAL HIGHLIGHTS

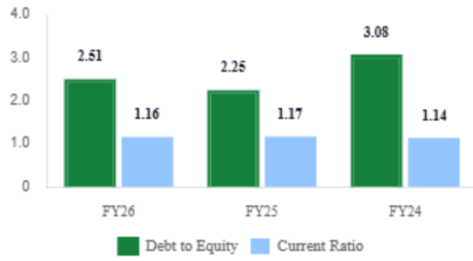
Return Ratios



EBITDA and PAT Margin



Key Ratios:



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