

Business Overview of N R Vandana Tex Industries Limited

N R Vandana Tex Industries Limited is engaged in the manufacturing, trading, and retailing of a wide range of textile products, with a specialization in ethnic garments. The company operates in both domestic and international markets and primarily focuses on:

1. Manufacturing and Trading:

- Cotton, cotton blend, and synthetic fabrics
- Printed and embroidered sarees (including mulmul and linen-based varieties)
- Suits, salwar kameez, and other garment products

2. Product Categories:

- Ethnic wear for women including sarees and suits
- Bedsheets and other home textile products (production started in 2023)

3. Expansion and Sales Channels:

- The company expanded its operations by setting up a warehouse in Jetpur, Gujarat in 2017
- Entered B2B online marketplaces in 2022, including AJIO Business, Udaan, and SOLV

4. Business Model:

N R Vandana Tex Industries Limited operates as a manufacturer, wholesaler, retailer, and exporter, catering to B2B and B2C segments.

The company's operational model is predominantly B2B.

Company Financials (in Crores.)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	270.80	220.10	195.24
Growth in Revenue from Operations (%)	23.03%	12.74%	10.20%
Revenue CAGR	17.77%		
EBITDA	19.27	13.85	9.76
EBITDA Margins	7.12%	6.29%	5%
PAT	8.59	4.29	1.79
PAT Margins	3.17%	1.95%	0.92%
ROCE	18.08%	13.82%	11.22%
Debt to Equity Ratio	2.01	2.62	3.54
CFOA	5.78	-0.50	-12.81

Comparison with peers:

As per RHP no listed peers.

IPO Overview

- **IPO Type:** Book-Built Issue (SME)
- **Issue Size:** ₹27.89 crore
- **Fresh Issue:** 61,98,000 equity shares
- **Price Band:** ₹42 – ₹45 per share
- **Lot Size:** 3,000 shares

- **Issue Opening Date:** May 28, 2025
 - **Issue Closing Date:** May 30, 2025
 - **Listing Platform:** NSE SME Emerge
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Promoter Shareholding Pattern

Shareholder Category	Pre-IPO Holding	Post-IPO Holding
Promoters	100.00%	73.39%
Public	0.00%	26.61%

The promoters—**Narain Prasad Lohia**, **Prabhu Lohia**, and **Gyanesh Lohia**—will retain a majority stake post-IPO, ensuring continued control over the company's operations.

Utilization of IPO Proceeds

The net proceeds from the IPO will be allocated as follows:

- **Working Capital Requirements:** ₹16.28 crore
 - **Loan Repayment:** ₹5 crore
 - **General Corporate Purposes:**
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Cons (Risks and Weaknesses)

High Dependence on B2B

- Lacks a strong B2C presence or own retail brand visibility—risk of being price-takers in wholesale markets.

Working Capital Intensive Business

- Operating cycle is long due to credit to wholesalers and holding of raw material/inventory.

Geographically Concentrated Operations

- Despite a pan-India network, the company's manufacturing and sourcing are still concentrated in specific regions like Kolkata.

Low Net Margins

- The textile trading business traditionally operates on thin margins, which may be impacted by raw material price volatility.

Competitive and Fragmented Market

- The textile and ethnic wear industry has intense competition from both unorganized players and large organized brands.

Limited Innovation/Brand Premium

- Unlike branded ethnic wear players, NR Vandana does not command premium pricing; remains dependent on volume growth.

Conclusion

N R Vandana Tex Industries presents itself as a traditional textile company making a structured attempt to modernize through expansion into e-commerce B2B platforms and product diversification. However, a deeper, critical look reveals a business that is **reliant on low-margin wholesale volumes, exposed to high working capital cycles**, and **lacking a strong brand identity in a highly competitive, price-sensitive market**.