YAJUR:

Retail Research	**: IPO Note**
Sector	**: Textiles**
Price Band (INR)	**: 168 to 174**
Issue Type	**: Bookbuilding**

About The Company

Yajur Fibres Limited ek 40+ saal purani legacy company hai, jo 1980 me Shineup Investments Limited ke naam se incorporate hui thi aur time ke saath apne business focus ke hisaab se evolve hoti rahi 1991 me Shineup Fibres Limited, 2008 me Ambica Capital Ventures Limited aur finally 2021 me Yajur Fibres Limited bani. Company ka CIN U17100WB1980PLC032918 hai aur iska registered aur manufacturing base Howrah, West Bengal me located hai. Iska matlab ye hai ki company koi nayi ya inexperienced player nahi hai, balki ek established entity hai jisne market aur technology ke saath apna business model successfully adapt kiya hai.

Business ke level par, Yajur Fibres ek B2B specialised textile company hai jo premium cottonised bast fibres banati hai—jaise flax (linen), jute aur hemp. Normally ye bast fibres bahut lambi aur brittle hoti hain, jinko cotton spinning machines me use karna mushkil hota hai. Yajur ki key innovation ye hai ki company in natural fibres ko cotton jaise short staple fibre me convert (cottonise) kar deti hai, jisse ye fibres cotton spinning machines me easily process ho jaati hain aur cotton ya man-made fibres ke saath blend bhi ho sakti hain.

Company ka big differentiator ye cottonised bast fibre technology hai, jisme 10% se 85% tak blending possible hai aur jo cotton ka lagbhag 55% tak replacement kar sakti hai. Isse linen-look fabric milta hai jo ~25% sasta hota hai, wrinkle issues kam hote hain aur spinning speed cotton ke around 70% tak achieve ho jaati hai. Global level par cotton aur polyester spinning mills hazaaron me hain, jabki linen/jute/hemp spinning mills 400 se bhi kam hain isi wajah se Yajur ka product rare bhi hai aur scalable bhi.

Manufacturing front par, company ka plant Howrah (West Bengal) me hai, jo traditional jute hub maana jaata hai. Company ke paas lagbhag 19 acres ka land hai aur 500 meter ka Ganga river frontage bhi hai. Abhi company ki capacity 300 MT per month (ya ~3600 MT per year) hai, jisme cottonised fibres aur yarn dono include hain. Aage chal kar company 1300 MT per year ka expansion plan kar rahi hai, jisme dyeing aur bleaching ka in-house setup bhi hoga—jo margins aur quality control dono ko improve karega.

Sustainability Yajur Fibres ka ek strong pillar hai. Company ka 100% output sustainable aur biodegradable hai, jiska use apparel, home textiles, geo-textiles, automotive, insulation aur hatta ki USD currency paper tak me hota hai. Is wajah se Yajur ek pure play ESG aur sustainability theme beneficiary ke roop me position hoti hai, jo long term me global textile demand ke saath align karta hai.

Issue Details	
IPO Open Date	07-Jan-25
IPO Close Date	09-Jan-26
Price Band (Rs)	168 to 174
Lot Size	800 Shares
Issue Size (Rs Cr)	69,20,000 shares
Face Value	RS 10 per share
Sales Type	Fresh Capital
Issue Type	Bookbuilding IPO
Listing At	BSE, SME
Share Holding Pre Issue	1,57,62,873 shares
Share Holding Post Issue	2,26,82,873 shares
Market Maker Share	5.01%
Retail Share	65.84%
NII Share	28.21%
Promoter Holding Pre Issue	100.00%
Promoter Holding Post Issue	69.49%

Objects of the Issue	**Estimated Amount (INR Cr.)**
Setting up of 50,000 sq.ft. of shed in the existing manufacturing unit and purchase of Dyeing and Bleaching processing machinery and installation of additional production capacity of 4 tons per day at thier existing manufacturing unit at Jagannathpur, Phuleshwar, Uluberia, District Howrah	11.93
Investment in their subsidiary Yashodha Linen Yarn Limited for setting up a greenfield unit at Vikram Udyogpuri, DMIC (Industrial Park, Ujjain, Madhya Pradesh) for 100% wet spun linen yarn and blended yarn.	48
Funding of working capital requirements of the Company	36

Shareholding Pattern (%)	
Ashish Kankaria	29.25%
Ambica Capital Markets Limited	20.58%
Gold View Financial Services Limited	37.00%

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Quality ke maamle me company globally recognised certifications hold karti hai ISO 9001, ISO 14001, ISO 45001, OEKO-TEX 100 aur European Flax. Iske saath hi company ke paas ek fully equipped in-house quality testing laboratory hai jahan raw material se le kar finished goods tak har stage par testing hoti hai. Ye process customer trust aur export acceptance dono ke liye critical hai.

Customer side par, Yajur ke 260+ customers hain aur pichhle 5 saalon me 159 customers se repeat orders aaye hain, jo product quality, delivery reliability aur pricing power ko clearly reflect karta hai. Sales aur marketing reach India ke saath-saath international markets tak hai India me monthly visits, overseas quarterly visits, Turkey aur Bangladesh me agents aur regular participation domestic aur international textile exhibitions me hoti rehti hai.

Management ki baat karein to promoter MD Ashish Kankaria ko jute aur bast fibre industry me decades ka experience hai. Unka long-term vision hai ki 2030 tak company 15,000 tons per year cottonising capacity achieve kare, jisme execution aur R&D par strong focus rahe.

Future growth ke liye company ne forward integration ka step liya hai apni subsidiary Yashoda Linen Yarn Limited ke through, jisme Yajur ne January 2025 me 80% stake acquire kiya. Ye subsidiary Ujjain, MP me 35 acres land par ek greenfield wet-spun linen yarn plant laga rahi hai, jiska project cost ₹148.83 crore hai. Isme ₹48 crore IPO funds se aur ₹99 crore Canara Bank ke sanctioned term loan se aayega. Commercial operations ka target December 2026 hai, jo fibre se yarn tak direct value addition enable karega.

Overall, Yajur Fibres Limited ka product portfolio B2B focused hai jisme flax yarn, jute yarn, cottonised flax fibre, cottonised jute fibre aur cottonised hemp fibre shamil hain jo company ko ek niche, sustainable aur technology-driven textile player banata hai.

RISK

1 Revenue Concentration Risk
Company ka major revenue Cottonised Flax fibre se aata hai; flax demand me slowdown ya substitute aane par sales, margins aur cash flows directly impact ho sakte hain.

2 Product Concentration Risk
Limited product mix hone ki wajah se business diversified nahi hai, jisse single-product dependency badh jaati hai.

3 New Product & Expansion Risk
Naye products, naye segments aur forward integration (yarn business) me entry execution risk, cost overrun aur market acceptance risk laati hai.

4 Customer Concentration Risk
Kuch hi key customers company ke revenue ka bada hissa contribute karte hain; kisi ek ke churn hone par revenue me sharp decline aa sakta hai.

5 Repeat Order Dependency Risk
Company repeat orders par heavily dependent hai; agar customers alternate suppliers choose kar lete hain to sales stability break ho sakti hai.

6 Raw Material & Supplier Risk
Flax, jute aur hemp jaise raw materials ke limited suppliers par dependence hai; supply disruption ya price volatility margins ko hit kar sakti hai.

7 End-User Industry Risk (Indirect)
Apparel, home textile, denim aur auto industry me slowdown hone par fibre demand indirectly kam ho sakti hai.

8 Seasonality Risk
Textile business seasonal hota hai, jisse quarterly revenue aur profitability volatile reh sakti hai.

Financial & Cash Flow Risks

9 Past Negative Cash Flow Risk (Standalone)
Company ke kuch pichhle years me negative cash flows rahe hain, jo cash generation sustainability par concern create karta hai.

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RISK

🔟 Subsidiary Cash Flow Risk
Yashoda Linen Yarn Ltd ke past me negative cash flows rahe hain; naya plant profitable na hua to parent par pressure padega.

1️⃣1️⃣ Promoter Group Financial Risk
Promoter group companies ke losses aur negative cash flows funding aur support risk badha dete hain.

1️⃣2️⃣ Working Capital Intensive Business
Raw material stocking aur receivables ke liye heavy working capital chahiye; funding tight hui to operations slow ho sakte hain.

1️⃣3️⃣ Customer Payment / Credit Risk
Customer payment delays ya defaults se liquidity aur profitability impact ho sakti hai.

1️⃣4️⃣ Unsecured Loan Risk
Unsecured loans recall hone par cash flow aur daily operations disturb ho sakte hain.

🔴 **Governance & Compliance Risks**

1️⃣5️⃣ Auditor Qualification Risk (Red Flag)
FY23 aur FY24 me auditor qualifications accounts, disclosures aur governance par concerns raise karti hain.

1️⃣6️⃣ Data Verification Risk
DRHP me kuch data independently verified nahi hai, jisse information accuracy ka risk bana rehta hai.

1️⃣7️⃣ Corporate Records / Legal Risk
Kuch corporate records traceable nahi hone se regulatory actions ya penalties ka risk ho sakta hai.

1️⃣8️⃣ Related Party Transaction Risk
Past related party transactions aur promoter guarantees governance risk create karti hain.

🔴 **Project & Execution Risks**

1️⃣9️⃣ New Plant Execution Risk
IPO funds se banne wale plant me delay, cost overrun ya lower efficiency ka risk hai.

2️⃣0️⃣ Regulatory Approval Risk (Subsidiary)
Ujjain plant ke kuch approvals pending hain; delay ya rejection se project ruk sakta hai.

2️⃣1️⃣ Capacity Under-utilisation Risk
Demand kam rahi to plant full capacity par operate nahi karega, jisse fixed cost burden badhega.

2️⃣2️⃣ Growth Management Risk
Fast expansion ke dauraan systems, manpower aur capital sahi manage na hone par losses ho sakte hain.

🔴 **Operational Concentration & Safety Risks**

2️⃣3️⃣ Single Manufacturing Unit Risk
Ek hi major plant hone ki wajah se fire, flood, labour strike ya breakdown se poora business ruk sakta hai.

2️⃣4️⃣ Geographical Concentration Risk
Revenue aur operations kuch specific regions me concentrated hain; regional disruption se sales hit hongi.

2️⃣5️⃣ Power & Utility Risk
Power-intensive operations hone ke kaaran electricity interruption ya tariff hike profits ko affect karegi.

2️⃣6️⃣ Third-Party Dependency Risk
Transport aur logistics third parties par dependent hain; delivery disruption se revenue impact ho sakta hai.

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RISK

2️⃣7️⃣ Workforce / Labour Risk
Strike, wage inflation ya skilled manpower shortage se production aur margins affect ho sakte hain.

2️⃣8️⃣ Fire & Safety Risk
Kuch raw materials inflammable hain; fire ya accident se asset damage aur financial loss ho sakta hai.

🔴 **Product, Quality & Market Risks**

2️⃣9️⃣ Quality Failure / Rejection Risk
Quality standards maintain na hone par customer rejection, legal claims aur brand damage ho sakta hai.

3️⃣0️⃣ Product Liability & Legal Risk
Product failure se customer losses hue to legal cases aur compensation claims aa sakte hain.

3️⃣1️⃣ Competition Risk
Industry competitive hai; effective competition na kar paane par margins aur market share ghat sakta hai.

3️⃣2️⃣ Marketing & Demand Forecast Risk
Marketing initiatives fail hone ya wrong demand forecast se inventory pile-up aur cash flow stress ho sakta hai.

🔴 **Strategic, Promoter & Shareholder Risks**

3️⃣3️⃣ Promoter / Management Interest Risk
Promoters aur KMPs ke interests shareholders se align na hue to decision-making risk create hota hai.

3️⃣4️⃣ Conflict of Interest Risk
Promoters ke dusre similar businesses me interest hone se company ke profits impact ho sakte hain.

3️⃣5️⃣ Future Fund Raising / Dilution Risk
Future equity ya debt raising unfavourable terms par hui to dilution aur return risk badhega.

3️⃣6️⃣ Key Personnel Risk
Business promoters aur senior management par highly dependent hai; unke exit se operations impact honge.

🔴 **Listing, Liquidity & Market Risks**

3️⃣7️⃣ No Existing Market / Liquidity Risk
Shares pehle publicly traded nahi hue hain; listing ke baad liquidity low reh sakti hai.

3️⃣8️⃣ Listing Uncertainty Risk
SME platform par timely listing ki koi guarantee nahi hai; delay ya non-listing investor ke liye risk hai.

3️⃣9️⃣ Price Volatility Risk
SME stocks me high volatility aur price limits ki wajah se exit difficult ho sakta hai.

4️⃣0️⃣ Surveillance (ASM/GSM) Risk
Listing ke baad ASM/GSM lagne par trading activity aur price movement restrict ho sakta hai.

🔴 **External & Macro Risks**

4️⃣1️⃣ Regulatory & Policy Risk
Government policies, environmental norms aur compliance changes business ko affect kar sakte hain.

4️⃣2️⃣ Taxation Risk
Capital gains tax aur future tax law changes investor returns impact kar sakte hain.

4️⃣3️⃣ Geopolitical & Macro-Economic Risk
Inflation, war, pandemics, global slowdown aur India credit rating downgrade se business aur share price impact ho sakta hai.

4️⃣4️⃣ Natural Disaster Risk
Floods, earthquakes, epidemics aur other force-majeure events operations disrupt kar sakte hain.

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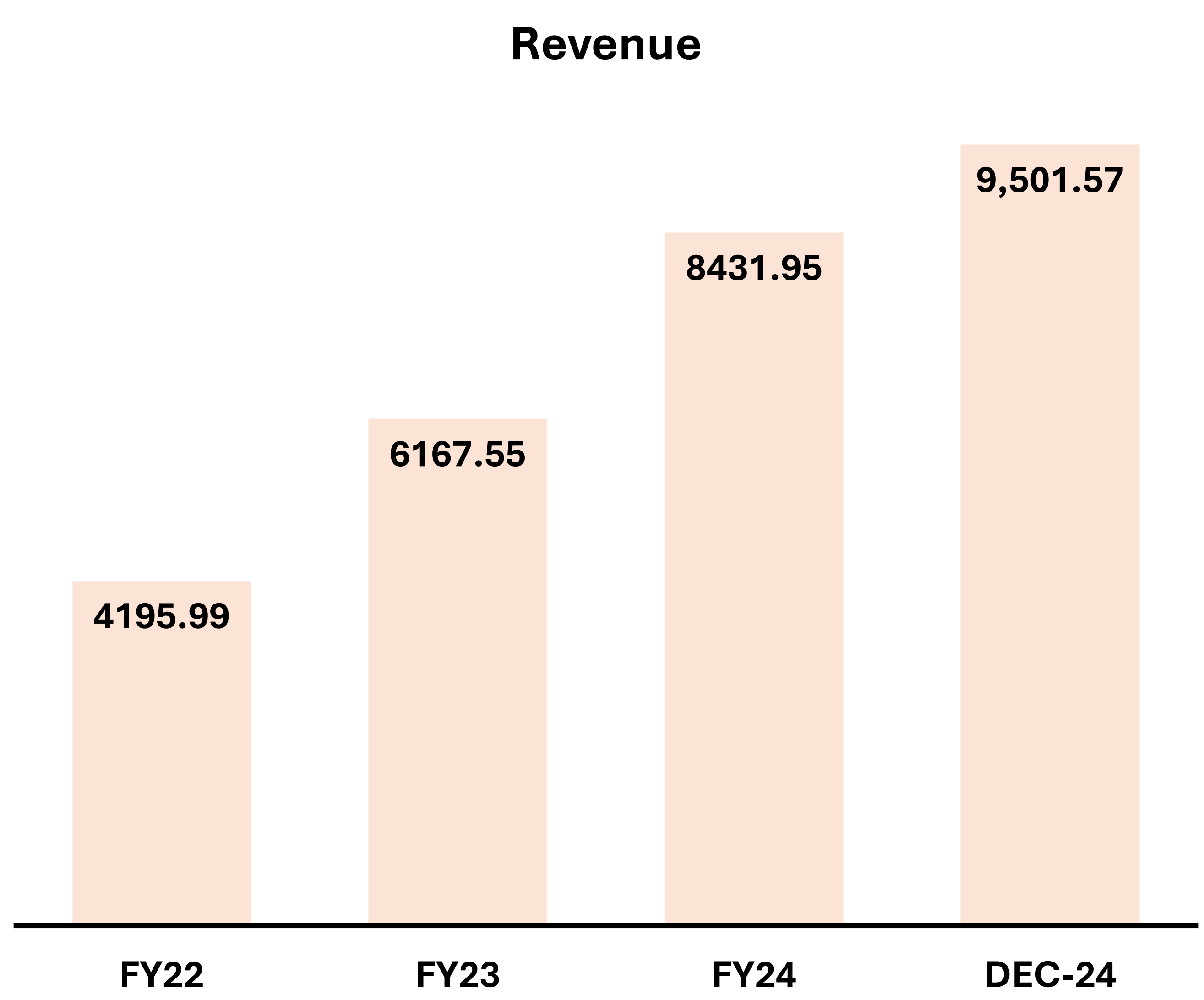
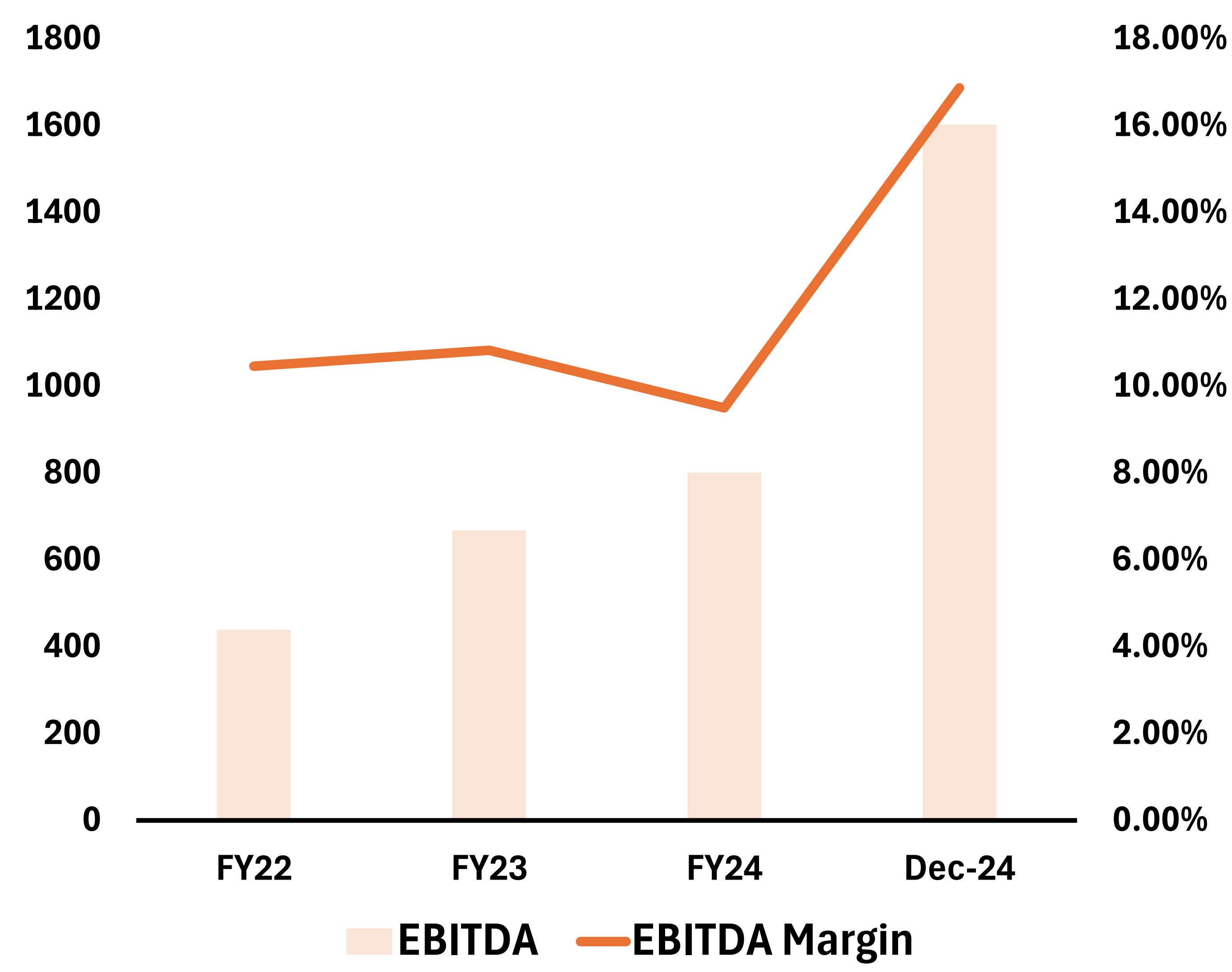
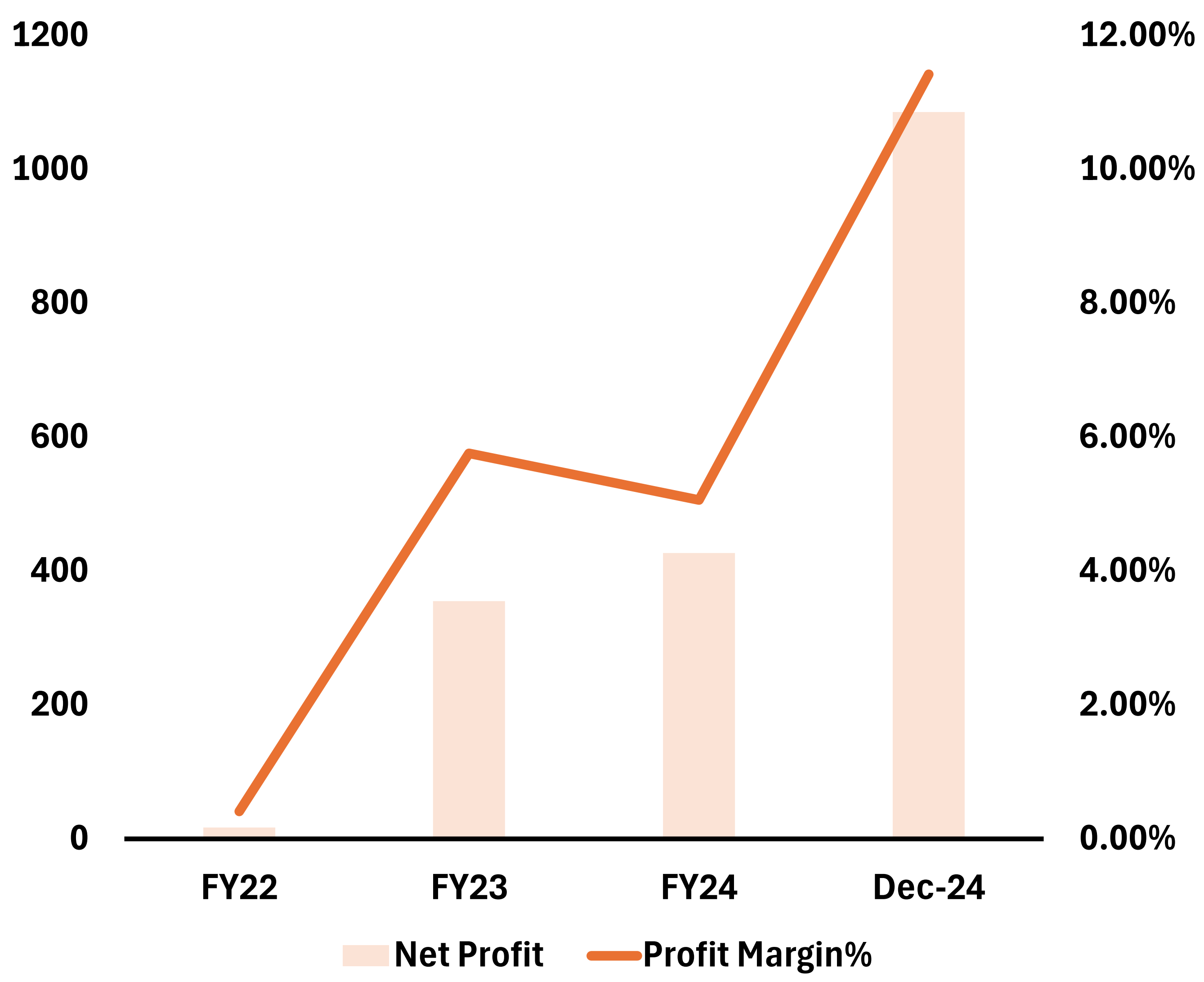
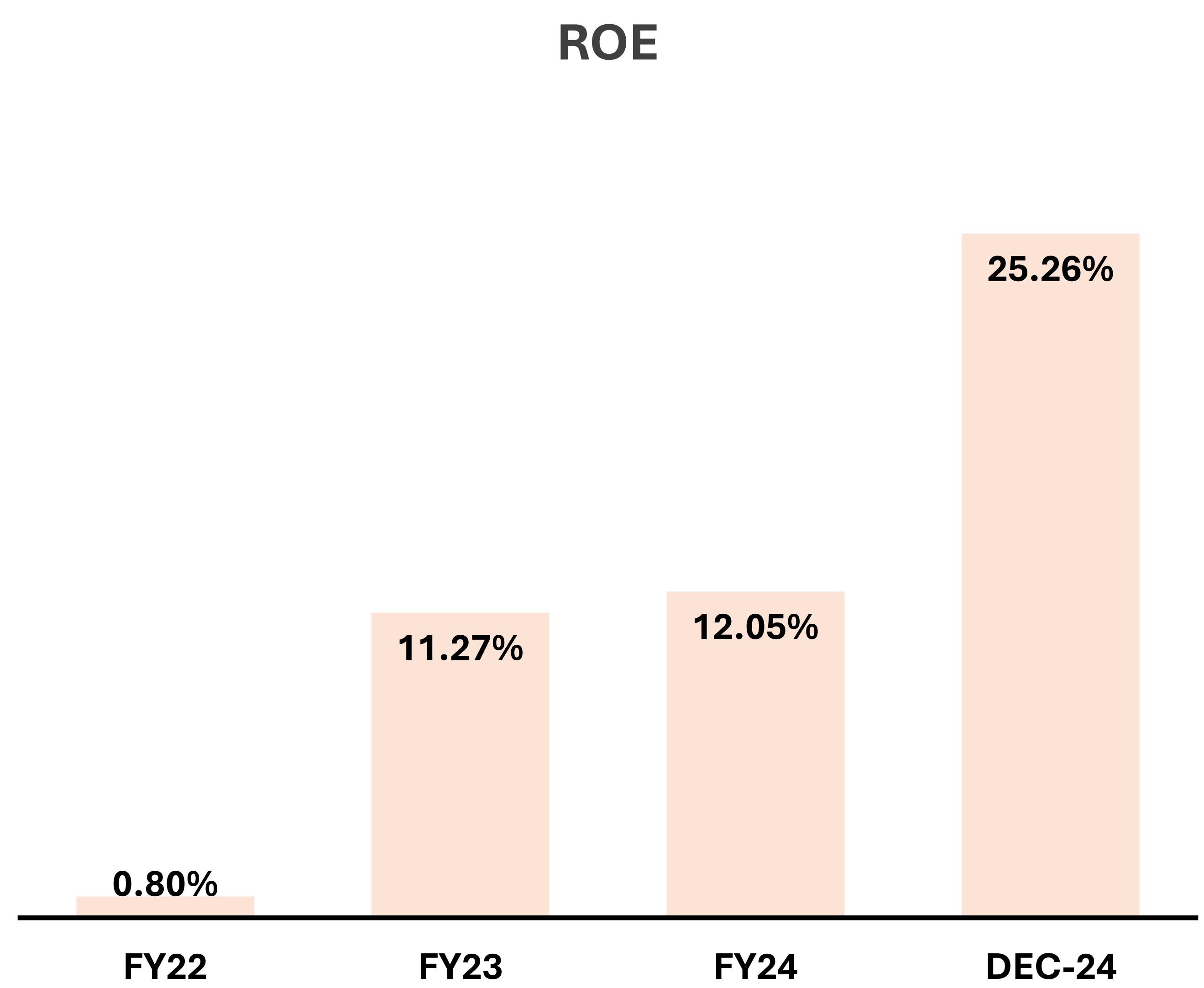
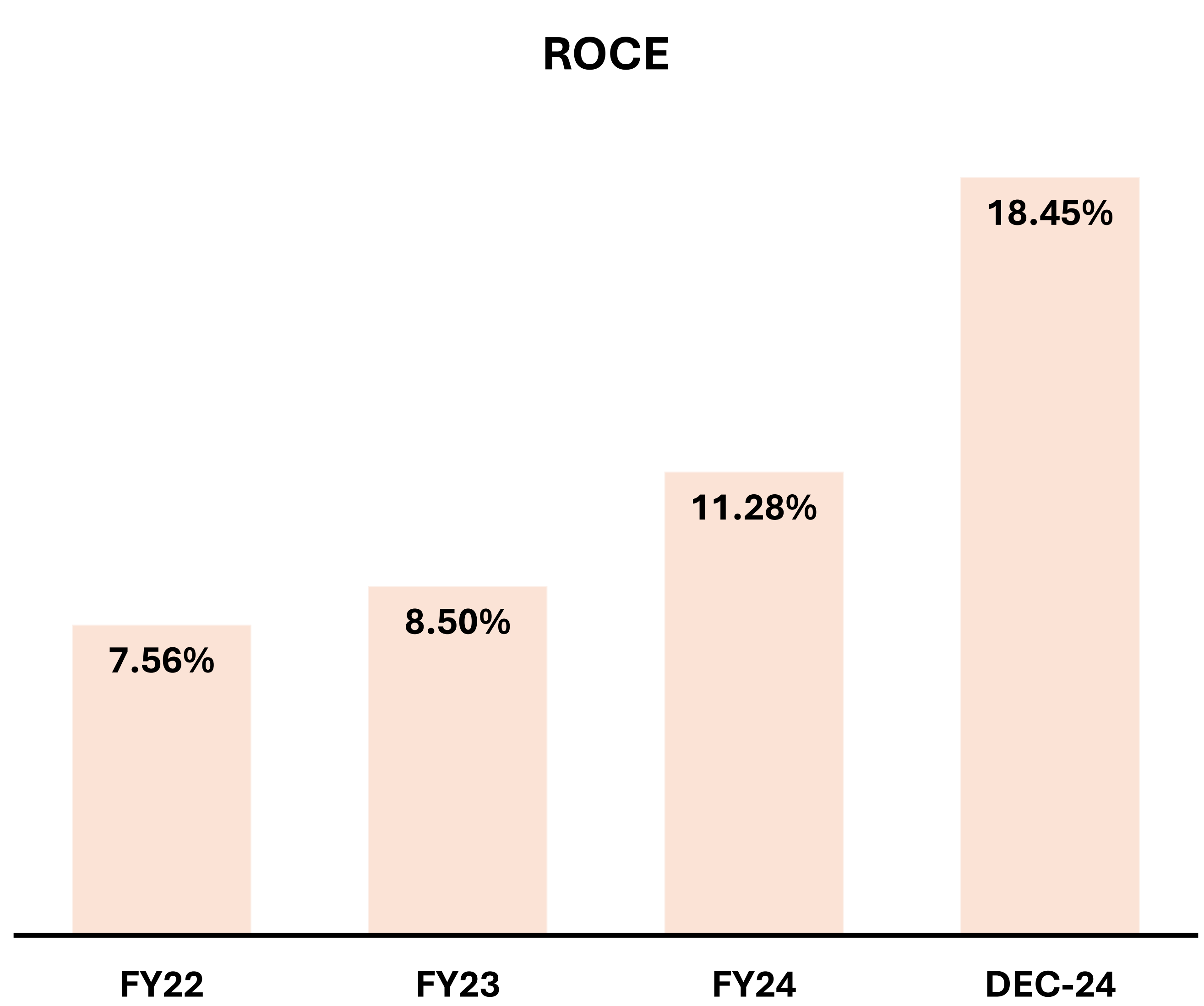
FINANCIAL ANALYSIS (INR in Lakhs)

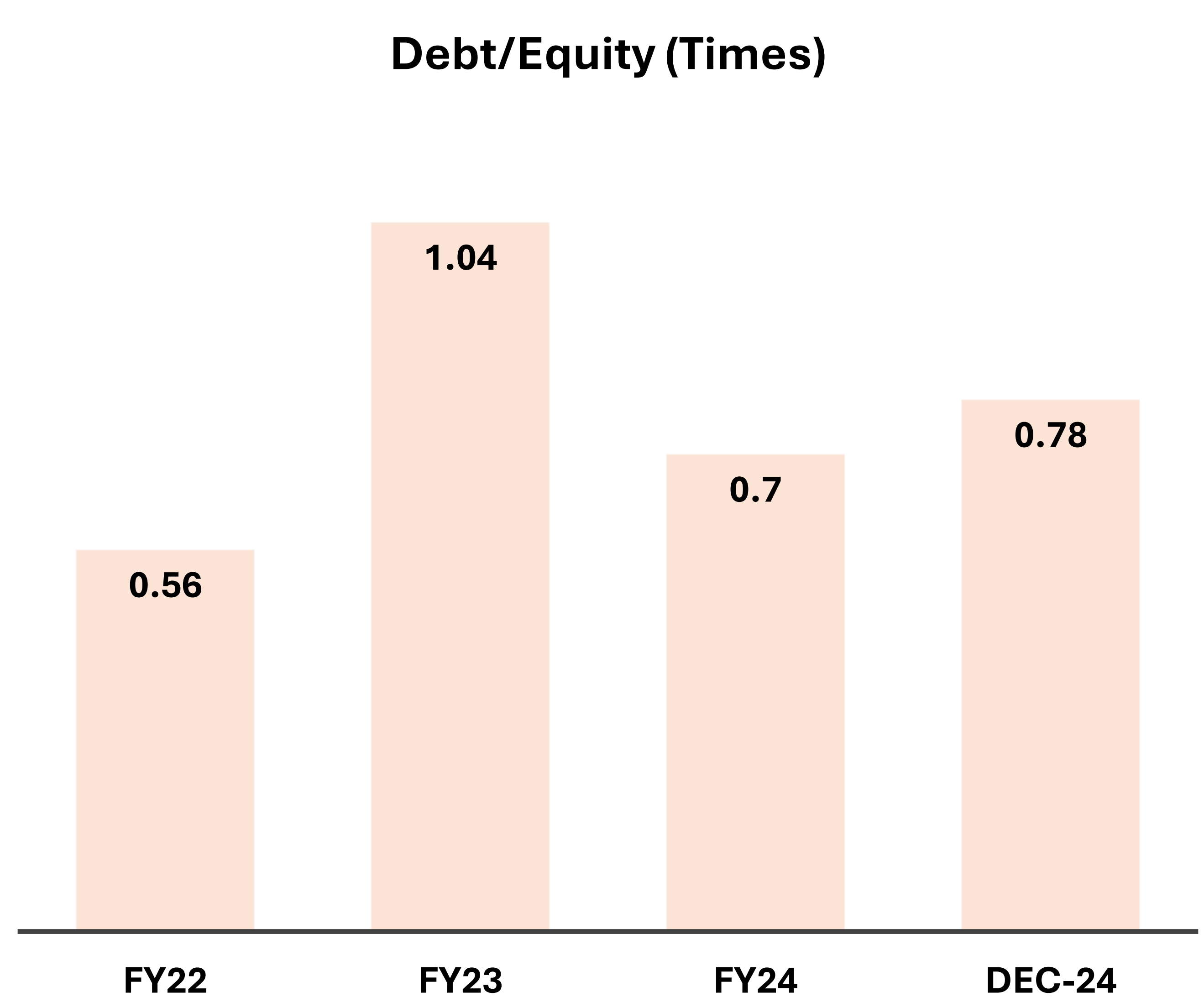












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