



IPO Report

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Harikanta Overseas Limited

Consumer Discretionary

Price Band: ₹91 to ₹96 per share

Bidding: 20 May to 22 May, 2026

Listing At: BSE SME

Listing Date: May 27, 2026

Details of the Issue

| | |
|--------------|-------------------------------------|
| Lead Manager | Interactive Financial Services Ltd. |
| Market Maker | Aftertrade Broking Pvt. Ltd. |
| Registrar | Bigshare Services Pvt. Ltd. |

Promoter Holding

| | |
|------------|--------|
| Pre-Issue | 96.87% |
| Post-Issue | 70.66% |

Offer Structure

| | |
|--------------|------------------|
| Market Maker | 1,34,400 shares |
| QIB | 54,000 shares |
| Retail | 12,40,800 shares |
| NII | 12,40,800 shares |
| Fresh Issue | 26,70,000 shares |
| Total Issue | ₹25.63 Cr |

Financial Summary (₹ in Lakhs)

| Particular | Nov'25 | FY25 |
|------------|----------|----------|
| Revenue | 2,608.41 | 3,517.30 |
| EBITDA | 735.23 | 671.68 |
| PAT | 508.58 | 446.80 |

Minimum Application

| Category | Lots | Shares | Amount |
|----------|------|-------------|---------------------|
| Retail | 2 | 2,400 | ₹2,30,400 |
| S-HNI | 3-8 | 3,600-9,600 | ₹3,45,600-₹9,21,600 |
| B-HNI | 9 | 10,800 | ₹10,36,800 |

Customer concentration (% of Revenue)

| Particulars | Nov'25 | FY25 | FY24 |
|------------------|--------|-------|--------|
| Top 1 customer | 20.84 | 22.26 | 25.58 |
| Top 5 customers | 66.45 | 66.54 | 91.88 |
| Top 10 customers | 83.31 | 78.62 | 100.00 |

Valuations

| | |
|----------------|-------|
| NAV(FY25) | 19.16 |
| EPS(Pre Issue) | 6.69 |
| P/E(Pre Issue) | 14.35 |

Promoters

Hardik Gotawala, Abhishek Gotawala, and Nilesh Gotawala

Company Overview

Harikanta Overseas Limited, incorporated in 2018, is engaged in the manufacturing of synthetic textile fabrics. Its product portfolio includes Ikat fabrics, polyester garment fabrics, saree fabrics, dhupion fabrics, poly linen, and natural fiber fabrics. The company primarily supplies fabrics for women's wear such as sarees, dress materials, and kurtas, while also catering to men's kurta fabric requirements.

Object of the Issue

- Capital Expenditure for Factory Premises: ₹540.35 lakhs
- Capital Expenditure for Plant and Machineries: ₹932.50 lakhs
- Working Capital: ₹475.00 lakhs
- General Corporate Purposes

Price Band Analysis

At the upper price band of ₹96, Harikanta Overseas Limited is valued at a post-issue P/E of 27.15x and P/B of 5.01x, indicating a relatively premium valuation considering its scale and operating history. The textile industry benefits from steady demand in ethnic and synthetic fabrics but remains exposed to margin pressures and raw material volatility.

Peer Comparison (as of FY25)

| Company Name | EPS (₹) | NAV (₹) | P/E | RONW (%) |
|------------------------------------|---------|---------|-------|----------|
| Harikanta Overseas Limited | 6.69 | 19.16 | 14.35 | 32.41 |
| Betex India Limited | 13.03 | 227.34 | 28.01 | 5.73 |
| Swasti Vinayaka Synthetics Limited | 0.27 | 2.55 | 12.78 | 10.54 |

Risk Measures:

- A significant portion of revenue is derived from a limited number of customers. In Fiscal 2025, the top 10 customers accounted for 78.62% of revenue from operations
- Operations are significantly dependent on yarn (such as Air Tex and Texturized Poly Yarn). Fluctuations in the prices or availability of these materials, or a disruption from their relatively concentrated supplier base, could adversely affect margins and profitability.

Investment Rationale:

- Harikanta Overseas Limited has demonstrated strong financial growth, with consolidated revenue from operations rising from ₹1,490.27 lakh in FY23 to ₹3,517.30 lakh in FY25. The company also benefits from a robust export-oriented business model, with exports and merchant exports contributing 64.04% of total operating revenue in FY25, supporting geographic diversification and growth opportunities.
- The company plans to utilise ₹1,472.85 lakh from the IPO proceeds towards capital expenditure, including construction of new factory premises and purchase of high-speed automatic air jet looms to enhance production capacity and broaden its product portfolio.
- The company is expanding its product portfolio by adding nylon fabrics and increasing its focus on natural fiber fabrics, enabling the company to diversify beyond traditional synthetic textiles and cater to a broader customer base.
- The company has demonstrated strong operational efficiency with capacity utilisation of around 90% across key machinery, including Air Jet and Low Speed Rapier Jacquard looms, indicating effective infrastructure usage and steady demand visibility.

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

| Particular | Nov'25 | FY25 | FY24 |
|------------------------------------|----------|----------|----------|
| Revenue From Operations | 2,608.41 | 3,517.30 | 1,111.22 |
| EBITDA | 735.23 | 671.68 | 124.24 |
| EBITDA Margin (%) | 27.97 | 18.92 | 11.29 |
| PAT | 508.58 | 446.80 | 81.98 |
| PAT Margin (%) | 19.50 | 12.70 | 7.38 |
| EPS | 10.61 | 6.69 | 1.27 |
| Return on Equity (RoE%) | 31.15 | 56.72 | 52.64 |
| Return on Capital Employed (RoCE%) | 31.99 | 37.56 | 35.11 |
| Debt to Equity Ratio | 0.15 | 0.24 | 0.75 |

Source: RHP

Service-wise Revenue Bifurcation (₹ in Lakhs)

| Particulars | Nov'25 | FY25 | FY24 |
|---|-----------------|-----------------|-----------------|
| Sale of Manufacturing Products | 1,735.85 | 2,010.05 | 611.50 |
| Contract Manufacturing from others | 804.66 | 822.16 | 117.02 |
| Contract Manufacturing from Associated entities | - | 620.11 | 329.50 |
| Duty Drawback/ MEIS/ RODTEP Export Income | 67.90 | 64.98 | 53.21 |
| Total | 2,608.41 | 3,517.30 | 1,111.23 |

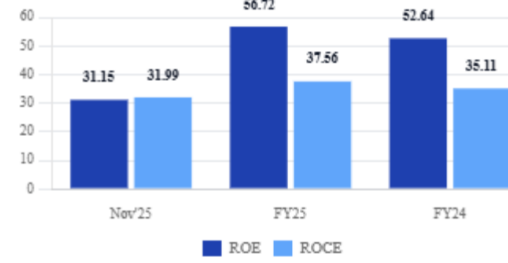
About The Founder



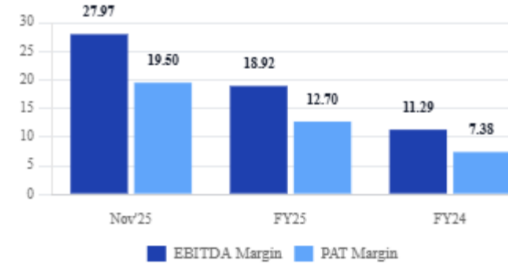
Hardik Gotawala, aged 33, is the Promoter and Managing Director of the company. He completed his Higher Secondary Education from the Gujarat Secondary and Higher Secondary Education Board, Gandhinagar, in March 2011 and has more than 10 years of experience in the textile industry.

FINANCIAL HIGHLIGHTS

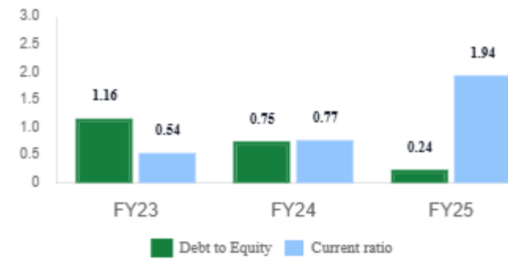
Return Ratios



EBITDA and PAT Margin



Key Ratios:



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