Alpine Texworld Limited

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IPO Note **13th July 2026**

Company Overview

Alpine Texworld Limited is a vertically integrated textile manufacturer engaged in the production of cotton yarn and grey fabric, catering primarily to textile processors, fabric traders and garment manufacturers in India. The company operates across the spinning, sizing, and weaving value chain through two manufacturing facilities in Ahmedabad, Gujarat, with an annual installed capacity of 180 lakh metres of grey fabric, 6,650 metric tonnes of yarn sizing and 6,000 metric tonnes of yarn, supported by 10.3 MW of captive solar power capacity to improve energy efficiency and lower operating costs. The acquisition of a 97% stake in Alpine Cottweave LLP has further strengthened its integrated manufacturing capabilities by adding 96 lakh metres of annual weaving capacity while contributing 35.9% to consolidated revenue in FY26. The company predominantly manufactures grey fabric used in downstream processing for denim, shirting, and suiting applications, with grey fabric contributing 96.7% of FY26 revenue, while the remaining revenue is derived from yarn, trading activities, yarn sizing services and other operating income. Manufacturing activities accounted for 97.6% of revenue from operations during FY26, highlighting the company's manufacturing-led business model. Alpine follows a B2B model, supplying primarily to customers located in Gujarat, which contributed 97.4% to FY26 revenue, leveraging its presence in one of India's largest textile manufacturing clusters. The company is currently developing its proposed manufacturing Unit 3 to support future capacity expansion and strengthen its position within the domestic textile value chain.

Objects of the issue

The company proposes to utilize the proceeds from the issue towards the following objects:

⇒ Proposing to finance the cost of setting up a new weaving unit at proposed manufacturing Unit 3 to expand its production capabilities to produce Grey Fabric at Ahmedabad, Gujarat, India;

⇒ Prepayment or repayment, in part or full of certain outstanding borrowings; and

⇒ General corporate purposes.

Investment Rationale

Integrated Manufacturing Footprint Supported by Gujarat's Textile Ecosystem

The company is well positioned to benefit from the growing demand for grey fabric through its integrated manufacturing platform and strategic presence in Ahmedabad, Gujarat, one of India's largest textile manufacturing clusters. Gujarat accounts for a significant share of India's cotton production, providing ready access to high-quality raw materials, an established supplier base and a well-developed textile ecosystem. The company's manufacturing facilities are equipped with advanced machinery from global manufacturers such as Toyota, Karl Mayer, Saurer and Picanol, enabling efficient production across spinning, sizing and weaving operations. This integrated manufacturing set-up, coupled with its proximity to customers and suppliers, supports operational efficiencies while enabling the company to cater to the domestic textile value chain. With the Indian textile industry expected to benefit from rising domestic consumption, export opportunities, and supportive government policies, the company is well placed to capitalize on structural growth in the grey fabric segment.

Backward Integration and Operational Efficiencies to Drive Sustainable Growth

The company has undertaken several strategic investments to strengthen its manufacturing capabilities and expand its production capacity. It acquired a 97% stake in Alpine Cottweave LLP, adding 96 lakh metres of annual weaving capacity and increasing the group's aggregate weaving capacity to 276 lakh metres per annum. In FY25, the company also commissioned a 6,000 MT spinning facility, enabling partial in-house yarn production as part of its backward integration strategy. The spinning unit has been established adjacent to the existing weaving facility, allowing efficient movement of yarn for further processing. Additionally, the company has invested in 10.3 MW of captive solar power capacity across rooftop and ground-mounted installations to offset a significant portion of its power requirements. These investments, along with the proposed manufacturing Unit 3, are expected to strengthen the company's manufacturing platform and support future production growth.

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Issue Details	
Offer Period	14th July. 2026 – 16th July. 2026
Price Band	Rs. 100 to Rs. 105
Bid Lot	142
Listing	BSE & NSE
Issue Size (no. of shares in Cr.)	1.2
Issue Size (Rs. in Cr.)	126
Face Value (Rs.)	10

Issue Structure	
QIB	1%
NIB	29%
Retail	70%

BRLM	D and A Financial Services Private Limited
Registrar	KFin Technologies Limited

Particulars	Pre Issue %	Post Issue %
Promoter & Promoter Group	100.0%	68.6%
Public	0.0%	31.4%
Total	**100.0%**	**100.0%**

(Assuming issue subscribed at higher band)

Research Team - 022-61596138

Alpine Texworld Limited

Valuation

Alpine Texworld Limited is a vertically integrated textile manufacturer engaged in the production of cotton yarn and grey fabric, with manufacturing capabilities spanning spinning, sizing, and weaving. The company primarily caters to the domestic textile value chain and has established a strong presence in Ahmedabad, Gujarat, one of India's largest textiles manufacturing clusters, providing access to abundant cotton, an established supplier ecosystem, and a favourable operating environment. Over the years, the company has strengthened its manufacturing platform through backward integration into yarn production, expansion of weaving capacity through the acquisition of Alpine Cottweave LLP and investments in captive solar power, positioning it to improve operational efficiencies and support future capacity expansion. Financially, the company has demonstrated a healthy growth trajectory, with revenue from operations increasing at a 37% CAGR during FY24-FY26 to Rs. 343 crores. Operating leverage and an improving product mix supported EBITDA growth at a 54% CAGR, while PAT registered a robust 111% CAGR over the same period. Consequently, EBITDA margin improved from 10.8% in FY24 to 13.8% in FY26, while PAT margin expanded from 2.7% to 6.3%. The company has also delivered a meaningful improvement in return ratios, with ROE increasing from 11.5% in FY24 to 28.8% in FY26, reflecting better profitability and efficient capital utilization. **At the upper price band of Rs. 105, the issue is valued at a P/E multiple of 12.8x based on FY26 diluted EPS of Rs. 8.2. Considering the company's integrated manufacturing platform, strategic presence in Gujarat's textile ecosystem, ongoing capacity expansion, improving profitability and healthy return ratios, we believe the valuation is reasonable. Accordingly, we assign a 'SUBSCRIBE' rating to the issue.**

Key Risks

⇒ The company derives a significant portion of its revenue from its top 10 customers, which contributed 70.3% to FY26 revenue. Since these customer relationships are not backed by long-term contractual commitments, loss of any major customer could adversely impact its revenue and profitability.

⇒ The company's manufacturing facilities and customer base are highly concentrated in Gujarat, which accounted for 97.4% of FY26 revenue. Any adverse developments in the region, including economic slowdown, regulatory changes, natural calamities, or disruptions to the local textile ecosystem, could materially impact its operations and financial performance.

⇒ The company's long-term and short-term credit ratings were downgraded by CRISIL to 'BB/Stable' and 'A4+', respectively, with the remark "Issuer Not Cooperating." Any adverse perception arising from the downgrade or any further deterioration in its credit rating could increase borrowing costs, limit access to financing and adversely impact its financial flexibility.

Alpine Texworld Limited

Income Statement (Rs. in million)

Particulars	FY24	FY25	FY26
Revenue:			
Revenue from operations	1,836	2,373	3,427
Total revenue	**1,836**	**2,373**	**3,427**
Expenses:			
Cost of material consumed	1,404	1,720	2,547
Purchase of traded goods	7	126	41
Changes in inventories of finished goods and work-in-progress	-27	-52	-93
Employee benefits expenses	71	89	145
Other Expenses	182	220	313
Total expenses	**1,637**	**2,103**	**2,953**
EBITDA	**199**	**270**	**474**
Depreciation & amortization	56	64	127
EBIT	**143**	**206**	**348**
Finance costs	85	91	153
Other Income	8	3	75
PBT	**67**	**118**	**269**
Current Tax	21	18	42
Deferred tax	-3	14	10
Total tax	**18**	**32**	**52**
PAT	**49**	**86**	**217**
Diluted EPS	**1.9**	**3.3**	**8.2**

Source: RHP, BP Equities Research

Cash Flow Statement (Rs. in million)

Particulars	FY24	FY25	FY26
Cash Flow from operating activities	315	130	340
Cash flow from/(used in) investing activities	-81	-945	-324
Net cash flows (used in) / from financing activities	-228	823	-31
Net increase/(decrease) in cash and cash equivalents	**7**	**9**	**-15**
Cash and cash equivalents at the beginning of the period	**0**	**7**	**15**
Cash and cash equivalents at the end of the period	**7**	**15**	**1**

Source: RHP, BP Equities Research

Alpine Texworld Limited

Balance Sheet (Rs. in million)

Particulars	FY24	FY25	FY26
Assets			
Non-Current Assets			
Property, plant and equipment	427	1,317	1,335
Right-of-use assets	0	3	14
Capital work-in-progress	0	13	157
Other intangible assets	0	0	0
Financial Assets			
(i) Investments	0	1	1
(ii) Other financial assets	15	24	6
Deferred tax assets (net)	0	0	0
Other non current assets	56	18	49
Total Non Current assets	**497**	**1,375**	**1,562**
Current Assets			
Inventories	185	477	721
Financial Assets			
(i) Trade Receivables	741	969	632
(ii) Cash and cash equivalents	7	15	1
(iii) Bank balance other than cash	3	13	12
(iv) Other financial assets	2	0	25
Other current assets	63	98	100
Total Current Assets	**1,001**	**1,573**	**1,491**
Total Assets	**1,498**	**2,949**	**3,053**
Equity and Liabilities			
Equity Share Capital	262	262	262
Other Equity	163	249	467
Equity attributable to owners of the company	**426**	**511**	**729**
Non-controlling interest	0	18	25
Total Equity	**426**	**529**	**754**
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	274	993	1,065
(ii) Lease liabilities	0	4	14
Provisions	5	6	5
Deferred tax liabilities (net)	14	38	49
Other non current liabilities	0	0	0
Total Non-Current Liabilities	**293**	**1,041**	**1,132**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	491	668	711
(ii) Lease Liabilities	0	0	1
(iii) Trade Payables	269	677	386
(iv) Other financial liabiliies	1	13	24
Other current liabilities	2	6	11
Provisions	4	7	8
Current Tax Liabilities	13	8	26
Total Current Liabilities	**780**	**1,379**	**1,167**
Total Liabilities	**1,073**	**2,420**	**2,299**
Total Equity and Liabilities	**1,498**	**2,949**	**3,053**

Source: RHP, BP Equities Research

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Disclaimer Appendix

Analyst (s) holding in the Stock : Nil

Analyst (s) Certification:

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