IPO REVIEW

Alpine Texworld IPO

By **Dilip Davda** · SEBI Registered Research Analyst · Reg. No. INH000003127 Reviewed on 11 July 2026

- The company is an integrated textile manufacturer providing many products under one roof.
- The company posted growth in its top and bottom lines for the reported periods.
- It marked improved top and bottom lines on consolidated basis.
- Outperforming margins for FY26 against shown peers raise eyebrows as it is operating in a highly competitive and fragmented segment.
- Based on its recent financial data, the issue appears aggressively priced.
- There is no harm in skipping this pricey and dicey IPO.

About the Company

Alpine Texworld Ltd. (ATL)erstwhile known as Alpine Spinweave Ltd., is incorporated in February 2016 and began production in April 2017 with the commencement of its weaving unit including the sizing plant at Block No. 614-1105, Village-Paldi, Pirana Miroli Road, Paldi Kankaj, Ahmedabad, Dascroi, Gujarat, India, 382425 (“Manufacturing Unit 1”). At the time of commencement, the Company installed 48 high-speed Toyota Shuttle less airjet looms in April 2017. Subsequently, in August 2018, the Company further enhanced its production capacity by installing an additional 64 high-speed Toyota Shuttle less airjet looms, bringing increased operational efficiency and scale.

Thereafter, in March 2025, the Company expanded its manufacturing unit by commencing its spinning unit by installation of four (4) open end rotor spinning machines, at Block no 1105, Old Block no 614 (Old Survey no 306), Mouje Paldi Kankaj. Taluka Dascroi, Dist Ahmedabad, Ahmedabad - 11 (Aslali) “Manufacturing Unit 2”). The Manufacturing Unit 2 is obtained on a leasehold basis from one of its Group Companies/Promoter Group, Alpine Weaving Private Limited and the same is situated adjacent to Manufacturing Unit 1. The decision to establish the spinning plant at Manufacturing Unit 2 ensures operational synergies and management efficiencies with its existing Manufacturing Unit 1. The Manufacturing Unit 1 and Manufacturing Unit 2 collectively includes main building sheds, effluent treatment plants, boiler foundations, machineries, office spaces, raw material storage areas, electrical rooms, water tanks, coal yards, and other auxiliary structures.

The Company has grown into a vertically integrated textile manufacturer with capabilities in weaving and spinning. It procures processed cotton, which is subject to open-end spinning, resulting in yarns (“Yarn”) of varying thicknesses. The Yarns are then woven into grey fabric (“Grey Fabric”) using looms.

ATL had installed a rooftop solar plant at (i) Manufacturing Unit 1 with a capacity of 820 KW of solar energy in January 2024 (“Solar Unit 1”), and (ii) Manufacturing Unit 2 with a capacity of 475 KW of solar energy in November 2025 (“Solar Unit 3”).

In addition to the rooftop solar panels, the Company has installed ground mounted solar panels at Survey No., 216 (Old Survey No. - 51/2), Khata No. 190, Village - Makhanu, Taluka - Deodar, District – Banaskantha and Survey No., 221 (Old Survey No. - 51/1), Khata No. 190, Village - Makhanu, Taluka - Deodar, District – Banaskantha (“Solar Unit 2”) in March 2025 with a capacity of 5.4 megawatts and in April 2026 with an additional capacity of 3.6 megawatts of solar energy, which has further reduced dependency on grid power and promoted cost efficiency. The generated electricity offsets Company’s power consumption, with Uttar Gujarat Vij Company Limited adjusting the same against energy bills. Its top 10 customers contribute around 70% of its total revenue. As of March 31, 2026, it had 164 employees on its payroll.

Issue Details / Capital History

The company is coming out with its maiden book building route IPO of 12024000 equity shares of Rs. 10 each to mobilize Rs. 126.25 cr. at the upper cap. The company has announced a price band of Rs. 100 – Rs. 105 per equity shares of Rs. 10 each. The issue opens for subscription on July 14, 2026, and will close on July 16, 2026. The minimum application to be made is for 142 shares and in multiples thereon, thereafter. Post allotment, shares will be listed on BSE and NSE. The issue constitutes 31.44% of the post-IPO paid-up equity capital. From the net proceeds of the issue, the company will utilize Rs. 30.71 cr. for capex on setting up of new weaving unit, Rs. 52.20 cr. for repayment/prepayment of certain borrowing, and the rest for general corporate purposes.

The company has allocated not more than 1% for QIBs, not less than 29% for HNIs and not less than 70% for Retail investors.

The sole Book Running Lead Manager (BRLM) to this issue is D and A Financial Services Pvt. Ltd., and KFin Technologies Ltd. is the registrar to the issue. Giriraj Stock Broking Pvt. Ltd. is a syndicate member.

The company has issued initial equity shares at par value, and has issued further equity shares in the price range of Rs. 76.00 – Rs. 44.66 per share (based on FV of Rs. 10) between March 2017 and December 2020. It has also issued bonus shares in the ratio of 7 for 1 in December 2020. The average cost of acquisition of shares by the promoters is Rs. 1.99, Rs. 2.52, and Rs. 8.01, per share.

Post-IPO, its current paid-up equity capital of Rs. 26.22 cr. will stand enhanced to Rs. 38.25 cr. ased on the upper cap of the price band, the company is looking for a market cap of Rs. 401.59 cr.

Financial Performance

On the financial performance front, for the last three fiscals, the company has posted a total income/net profit, of Rs. 184.44 cr. / Rs. 4.88 cr. (FY24 - Standalone), Rs. 237.66 cr. / Rs. 8.63 cr.

(FY25 – Consolidated), and Rs. 350.18 cr. / Rs. 21.72 cr. (FY26 - Consolidated). The company posted growth in its top and bottom lines for the reported periods, but quantum jump in its top and bottom line post consolidated raise eyebrows. Its consolidated contingent liabilities of Rs. 11.94 cr. as of March 31, 2026 raise concern. Its debt equity ratio of 2.35 as of March 31, 2026, raise alarm.

For the last three fiscals, the company has posted an average EPS of Rs. 5.49 and an average RoNW of 22.22 %. The issue is priced at a P/BV of 3.78 based on its NAV of Rs. 27.79 as of March 31, 2026, and at a P/BV of 2.02 based on its post-IPO NAV of Rs. 52.07 per share at the upper price.

If we attribute FY26 earnings to its post-IPO fully diluted paid-up equity capital, then the asking price is at P/E of 18.49. Based on FY25 earnings, the P/E stands at 46.46. The issue appears greedily priced.

For the reported periods, while the company has posted PAT margins of 2.66 % (FY24), 3.63% (FY25), 6.34% (FY26), and RoCE margins of 12.12%, 12.18%, 17.56%, respectively for the referred periods. Outperforming PAT margins for FY26 may not sustain going forward as it is operating in a highly competitive and fragmented segment.

Dividend Policy

The company not paid any dividends for the reported periods of the offer document. It has already adopted a dividend policy in May 2025, based on its financial performance and future prospects.

Comparison with Listed Peers

As per the offer document, the company has shown United Poly, Ken Enterprises, Pashupati Cotspin, as its listed peers. They are currently trading at a P/E of 29.2, 5.54, and 133.0 (as of July 03, 2026). However, they are not truly comparable on an apple-to-apple basis. This comparison appears to be an eyewash.

Merchant Banker's Track Record

This is the maiden mandate from D and A Financial in the last three fiscals and has no track records in the recent past.

Conclusion / Investment Strategy

ATL is an integrated textile manufacturer providing many products under one roof. The company posted growth in its top and bottom lines for the reported periods. It marked improved top and bottom lines on consolidated basis. Outperforming margins for FY26 against shown peers raise eyebrows as it is operating in a highly competitive and fragmented segment. Based on its recent financial data, the issue appears aggressively priced. There is no harm in skipping this pricey and dicey IPO.

About Dilip Davda

Dilip Davda is a veteran financial journalist associated with the Indian stock market since 1978. He has been contributing to print and electronic media on capital markets, insurance, and finance since 1985. He is widely recognized for reviewing public issues and non-convertible debentures (NCDs) in the primary market, with a special emphasis on SME public issues.

SEBI Registered Research Analyst – Mumbai · Registration No.: INH000003127 (Perpetual)

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